Daily Report

Latin America

FBIS-LAT-92-246
Tuesday
22 December 1992

Daily Report
Latin America

FBIS-LAT-92-246 22 December 1992

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

CARIBBEAN

Cuba

Election Results Reported; 2d Round Set for 27 Dec *[Havana TV]* 1
Politburo Member Lage Comments *[Havana TV]* 1
* Castro Interviewed *[Havana Radio, TV]* 1

Haiti

BP-FNCD Specifies Points On Bazin's Questioning *[Port-au-Prince Radio]* 9

CENTRAL AMERICA

Guatemala

Two Bombs Explode in Guatemala City *[NOTIMEX]* 10
Army Spokesman Claims FMLN Rearming URNG *[PRENSA LIBRE 18 Dec]* 10

Honduras

Callejas Criticizes EC Banana Import Quotas, Taxes *[TIEMPO 19 Dec]* 10

Nicaragua

'Military Source' Says Planes Supplying Rebels *[EL NUEVO DIARIO 20 Dec]* 11
San Antonio Sugar Refinery Workers End Strike *[Managua Radio]* 11

Panama

Linares Hopes Clinton Will Favor Compensation *[EL PANAMA AMERICA 20 Dec]* 11
Article Praises U.S. Ambassador's Recent Speech *[EL PANAMA AMERICA 21 Dec]* 12
DEA Conducts Investigation of Drug Money *[LA ESTRELLA DE PANAMA 19 Dec]* 12
Cruz Recommends Defining National Police Identity *[LA PRENSA 21 Dec]* 13
Comptroller Office Reports Rise in Foreign Debt *[EL PANAMA AMERICA 20 Dec]* 13
Danilo Donai Gallardo Escapes From Jail *[EL PANAMA AMERICA 18 Dec]* 14

SOUTH AMERICA

Argentina

Minister on Falklands, NATO, U.S. Relations *[TELAM]* 15
Fees on Imported Food, Other Products Reduced *[TELAM]* 15
Mercosur Concludes Preparatory Meeting *[TELAM]* 16
Modernization Pact Signed With Entre Rios Government *[BUENOS AIRES HERALD 19 Dec]* 16
French Mission Seeks Agreements in Nuclear Field *[TELAM]* 16
National Deputy for Misiones Province Dies *[TELAM]* 17

Bolivia

Minister on Relations with Chile, Torricelli Law *[PRESENCIA 8 Dec]* 17
Candidate Sanchez de Losada Leads in Poll *[Madrid EFE]* 18
United Left Designates Presidential Candidate *[LA RAZON 8 Dec]* 18

Brazil

Collor Dismisses Lawyers; Trial To Be Postponed *[Brasilia Radio]* 18
Action to 'Ensure' 'Proper' Defense *[Brasilia Radio]* 18
Collor To Receive Public Defenders *[Rio de Janeiro Radio]* 19
Minister Installs Telecommunications President *[O ESTADO DE SAO PAULO 18 Dec]* 20
Interpol Discusses CV Drug Trafficking Activities *[FOLHA DE SAO PAULO 17 Dec]* 20

Chile

Carabineros Adopt Anti-Drug Trafficking Measures *[Santiago TV]* 20
Indecisiveness Among Opposition Supporters Noted *[LA TERCERA DE LA HORA 11 Dec]* 20
Former Agent Arrested in Paraguay for Murder *[Santiago Radio]* 21
Romo Mena Faces Ninth Charge of Kidnaping *[Santiago Radio]* 22
New Military School Director Appointed *[EL MERCURIO 3 Dec]* 22

Colombia

Col Lora Released, Reaffirms Criticism *[Santa Fe de Bogota TV]* 22
Editorial Views Clinton Economic Team *[EL TIEMPO 17 Dec]* 23
Poll on Gaviria Administration, Cabinet Noted *[Santa Fe de Bogota TV]* 23

Ecuador

Information Minister Killed in Quito Plane Crash *[Quito Radio]* 24
Duran-Ballen on Sharing of Amazon River *[Quito Radio]* 24
Government Obtains Release of Cuban Prisoners *[Qutio Radio]* 24

Peru

CCD Preparatory Commissions Take Oath of Office *[Lima TV]* 24
CCD Will Be 'Completely Autonomous' *[Lima TV]* 25
Economy Minister on Support Group, National Budget *[Lima TV]* 25
Military Involvement in Drug Trafficking Viewed *[LA REPUBLICA 27 Nov]* 26
Economic Impact of Coca Viewed *[EL PERUANO 1 Dec]* 26
La Libertad 'Subversive Activities' 'Under Control' *[EL PERUANO 8 Dec]* 28
'Terrorist' Actions Increase in November *[EXPRESO 10 Dec]* 28
Seven 'Terrorists' To Serve Life Sentences *[Lima TV]* 29
Activities of 'Peru's Top Drug Trafficker' Noted *[LA REPUBLICA 8 Dec]* 29

Cuba

Election Results Reported; 2d Round Set for 27 Dec

FL2212003292 Havana Cuba Vision Network in Spanish 2320 GMT 21 Dec 92

[Text] Today, the Cuban and foreign media learned of some of the results of the electoral process that concluded just hours ago throughout the country. Carlos Amat, president of the National Electoral Commission, said that 13,432 delegates were elected nationwide, which is equivalent to 96.9 percent. Amat added that except in Ciego de Avila Province and the Isle of Youth Special Municipality, the rest of the country will have to hold a second round of elections on 27 December to elect the remaining 433 delegates. Havana has the greatest share of these, and elections will be held there in 231 districts.

The president of the National Electoral Commission said that of the delegates that have already been elected, 1,811 are women, 2,199 are young people, and 6,322 were reelected as delegates. There are still some data to compute, such as invalid ballots. These statistics will be issued soon.

Politburo Member Lage Comments

FL2112212492 Havana Tele Rebelde and Cuba Vision Network in Spanish 0100 GMT 21 Dec 92

[Interview with Politburo member Carlos Lage Davila on 20 December in Havana—recorded]

[Text] [Lage] I believe that the motives of all the people participating in the elections are connected with the opportunities our revolution gives all the people to participate actively and truly in the elections to the people's government bodies. Right now, there is a special motivation: By voting, by participating, we are reaffirming the course of the revolution.

I believe that our elections contain many values which seem common but in reality are not. These elections have been preceded by great participation, great honesty, and the merit of the candidates. I believe that all these characteristics of our electoral process, which is a truly democratic process, also motivates the participation and vote of every Cuban.

[Unidentified reporter] The year 1992 is about to end. You traveled to the PRC. Currently there is a delegation of Mexican businessmen visiting Cuba. Is there any news about how all of this might impact Cuba's economic reality for 1993?

[Lage] There is something, but it is not news. This is that very intense efforts are being conducted. Intense work is being done throughout Cuba: in agriculture, in the sugar harvest which has just begun, in nickel production, in all the main industries of Cuba. We are also actively working on our foreign economic ties with other countries and other businessmen. This effort by our people will bear fruit. Thank you.

Castro Interviewed

FL2212023092 Havana Radio and Television Networks in Spanish 1611 GMT 20 Dec 92

[Interview with Cuban President Fidel Castro at Polling Station No. 5 in District No. 13, Plaza de la Revolucion Municipality, Havana—live]

[Text] [Castro] Am I hindering the process here?

[Unidentified speaker] No, absolutely not.

[Castro] (?Since it is) a little later, I think many people have already gone through here, right?

[Unidentified speaker] At this polling station, 85 percent.

[Castro] Already?

[Unidentified speaker] Almost 80 percent.

[Castro] Eighty-five percent?

[Unidentified speaker] (?It is) 70 percent in the entire district.

[Castro] Really? That's good.

[Unidentified speaker] Throughout the country [words indistinct] very early.

[Castro] Yes, I have been watching for a while on the television. Reports have come in from Camaguey and other provinces. I must have made you wait a long time.

[Unidentified speaker] It is true that you have made us wait a little while.

[Castro] You probably thought I would come earlier, but I was up late into the small hours reviewing some papers, some materials, some documents.

[Unidentified speaker] We knew you would have an explanation. There was another occasion, I think it was the visit by Alfonsin.

[Unidentified speaker] Yes, after you said goodbye to Alfonsin you came to vote.

[Castro] Yes, but this time I was up until about 0600 looking at things I had to see, a document I had to review.

[Unidentified speaker] Here there is a chance that there will be no second round, unless they are tied, because there are two candidates.

[Castro] That could happen.

[Unidentified speaker] It could happen.

[Castro] Well, it is possible, because I always have to vote in a second round.

[Unidentified speaker] The two candidates are very young. One is 27 years old and the other is 32.

[Unidentified speaker] They are both university graduates. They are both party members. One belongs to the Union of Young Communists and the other to the Communist Party of Cuba.

[Castro] Well, it seems that this time the candidates were stronger, in general, in almost all the places I know of. Before, because of their work, or for one reason or another, many people would say no. This time, however, the good people were urged to accept. There are some tight contests, we could say, in many places. There are very good people, and I imagine it has been a dilemma for the voters to choose. [words indistinct] in your place. What did you here first today? Have you already voted or are you going to vote later? Have you all voted?

[Unidentified speakers] [words indistinct]

[Castro] Some will vote later. Did you already vote? Was it far from here?

[Unidentified speaker] In Cerro Municipality.

[Castro] Oh, that is far away.

[Unidentified speaker] On the subject of the young people, Commander, 15 percent [of the candidates] are young and 20 percent are women, nationally.

[Castro] We old ones come here. Starting at what age are people old? If 15 percent are young, I think that if they are 35, 36, or 37 years old they are called young, or what? At what age are people called young here?

[Unidentified speaker] From 16 to 30 is the category.

[Castro] Those are Pioneers! [laughter]

[Unidentified speakers] The first voter at this polling station, Guillermo Hernandez Diaz, is 67 years old. He was here before 0500, and it seems that he has that record, as I was saying to Hector Rodriguez.

[Castro] But is 67 a lot of years? I think you are saying it is very old. Now I will have to think.

[Unidentified speaker] On the contrary, I am saying that no one could....

[Castro, interrupting] A 67-year-old man who came here to vote early.

[Unidentified speaker] He was the first.

[Unidentified speaker] No, he is still young.

[Castro] Not that he is still young—that man is young!

[Unidentified speaker] There are also many presidents of people's councils who have been nominated as candidates. That is very important, and has been reflected in almost all the provinces.

[Castro] I think that is a new characteristic of this process, right? The existence of the people's councils, which did not exist before. It is unquestionable that in the elections of the people's council presidents they have chosen the best (?of the best), as a rule; that is, those they considered to have the best aptitude, the best abilities to lead the councils, and they are elected by all the district delegates. In addition, the councils are an institution that is providing an important service, carrying out important functions. We must also look at the tremendous authority the councils have, and their ability to handle problems which previously fell to the isolated delegates. So this has made selection possible.

That is why I imagine that many, a large number, of the council presidents have been nominated again. I also imagine that for some young and valuable people who have had to run against a people's council president, it has been a hard contest. One can assume that the people's council presidents are much better known, and that they should .... [pauses] it is possible that they will get most of the votes. However, that is also important, especially for the next elections, which are the elections for deputies [to the National Assembly of the People's Government, ANPP], since the people's council presidents are a very important pool of candidates for deputies. They can be up to 50 percent. They may be a little less, possibly, because mathematically they will be a little less, because it says "up to." For example, where there are three, maybe one will become a deputy. Where there are two, one will become a deputy, no matter what.

[Unidentified speaker] But Commander, that has also been the motivation of the candidates, the nominees, because the people know that when they are nominating a possible delegate, at the same they are also nominating a possible deputy.

[Castro] Yes.

[Unidentified speakers] Commander, this is the seventh....

[Castro, interrupting] Every day that goes by, as I observe—pardon me—this process, I realize how just the measures approved by the ANPP have been for the election of.... [pauses] to perfect the process. Sometimes participation even in times as difficult as we are experiencing.... [pauses] I realize that the procedure really attracted and motivated people. The reports I have on all the work by the candidacy commission are similar. They have done wonderful work, as I think has never been done anywhere, in the process of selecting the candidates. Without question they have asked everyone's opinion. They have asked everyone's opinion. [repeats] I understand that they have been approving lists of candidates at the different levels, because we must see that the municipal candidates, those that are up to 50 percent,

are of course people above all who are known in the municipalities. Among them there may be many who are not nationally known, or most of them are not nationally known, since they are people who are right there and are in a position at the base level to do the work. Perhaps some person with national responsibilities is too high up and cannot do the work.

[Unidentified speaker] [Foreign Minister Ricardo] Alarcon stressed that today, that there is no legislature in the world that gets 50 percent from the base level, like here.

[Castro] From the base level, and there at the base level they are known. They are promoted there at the base level. There at the base level, the candidacy commission promote them, from among themselves. However, there are also the provincial candidacy commissions, promoting candidates. They go beyond the limits of the municipalities and they find out about outstanding provincial figures. Lastly, the national commissions promote people who are outstanding at the national level. I think there has been a proportion in the lists the electoral .... [pauses] the candidacy commissions have drawn up as candidate pools. I make that mistake every so often and say electoral commissions when I should say candidacy commissions.

So, I was talking with the comrades and asking how the process has been going. I find it really very interesting, the way that they propose candidates at each level. Now, the provincial and national levels are very similar, because there are many talented people on the national level who are proposed on the provincial level. There are many repetitions; they are repeated at the provincial and national levels. There are some who are on three levels, because there are municipalities that have nationally talented figures. It is very interesting, extremely interesting. This is the first time a process like this one has been implemented in our country. Everything is new to us in this process of selecting the candidates to the ANPP.

Really, however, it is impossible that anything more popular, more democratic, than this could be done.

[Unidentified speaker] Qualitatively superior.

[Castro] It must be so, because in addition, there is no stuffing in the candidate lists. They have consulted a lot of people. There has been an interminable process of consultations, in spite of the short time, because, well, there was not so much time. We also wanted to make 24 February the date of the elections for deputies, which is very important. So the candidacy commissions have had relatively little time. It is possible that the next elections can be set for dates that do not coincide—as these have—with the sugar harvest, the cold season planting, the time of most activity and work. I have often thought how much this Sunday's mobilizations have meant—mobilizations of contingents, mobilized workers, students working in the fields—and in addition the number of people who are not in their municipality or province, because in Varadero, how many thousands of people are working in construction (?from) other places in Cuba.

[Unidentified speakers] They made special districts. [words indistinct] first delegates, certainly.

[Castro] They made special districts, but also the scholarship students are in a similar situation. It turns out that those who are not residents do not participate in nominating the candidates for delegates. They vote, but they are not so linked to the place. That was the only way they would be able to vote without having to travel to the eastern region. How many people from the eastern region are working in Varadero? I think the formula they came up with was quite correct, that they could vote there, because they can vote. Now the legislative bodies have a different nature, and it is more reasonable, right? The result is that now the legislative bodies do not cover an area or a district but the entire municipality.

But really, I have thought and reflected on this procedure, and it is very good. I was saying that we are putting this into practice for the first time and time has been short. This has driven the members of the candidacy commissions crazy, because of the number of consultations they have had to do, and the number of biographies they have had to read.

[Unidentified speaker] Just at the municipal level there are (?3,875) who would become delegates from the municipalities and are in the pool of candidates, up to 50 percent....

[Castro, interrupting] Yes, and the same process is going to take place for the ANPP. They discuss it in the provinces and municipalities. Of course, some mass organizations, such as the Federation of Secondary School Students [FEEM], are not present on the municipal level, but the other mass organizations are.

[Unidentified speaker] You said at the Scientific and Technical Forum a short time ago that the revolution has really done what had to be done at each particular time, speaking about the literacy campaign and the results we see today. Do you not also think that these elections had to be held?

[Castro] I think we have done what had to be done on this date, and not delayed, not waited just because we are in a special period situation. Of course, it is also an expression of great courage by the revolution and of confidence in the people. There has been a truly admirable reaction, from what we have seen. We must continue to observe the results, because we must keep in mind that these are the worst conditions for elections.

[Unidentified speaker] Even the sugarcane workers, Commander, the agricultural workers, were going to be given time off so that they could vote today and tomorrow very early [words indistinct].

[Castro] They told me there are different formulas. On Saturday and Sunday, the people are in the fields. That is, those are days for planting potatoes, tomatoes, and

December vegetables that would be completely lost. I do not know what time they are going to go. Do you know when they are going to go? They are going to go after the workday, but that starts at four or five. Then there is Monday. We must also think (?that we must not lose) Monday. We have thought about this, but it was unavoidable, inevitable. So Sunday, 20 December, is election day.

Now, in the sugar harvest, since they are also preparing soil for planting and all that, what they have come up with is that the machinery operators should vote early and then begin work. They have planned a special day of work to make up for the time. That can be done. They do not usually halt the sugar harvest even on 31 December or 1 January. They will work continuously. They are preparing the soil, and there are two 12-hour shifts or three eight-hour shifts. They are going to try to keep the machinery moving.

Now, with the rest of agriculture, we must distinguish between the contingents and the workers mobilized for two weeks. Everyone is already off on the afternoon of 31 December. They are off on 31 December. But the workers mobilized for two weeks are not organized the same as the contingents. I think the contingents have—wait, wait, wait—they have 31 December and 1 January off, and they go back to work on 2 January. I think 2 January, Sunday ....[pauses] no, Saturday. The workers mobilized for two weeks have more time, because they are off on 31 December, 1, 2, and 3 Janary. The workers mobilized for two weeks have four days. They will be away from agriculture, and that is unavoidable. On 24 February, which seems to be the date they have definitely decided on ....[pauses] It is not a Sunday; it is a Wednesday, but such a historic and important date cannot be changed and moved to a Sunday. So we must face the consequences. We must work well on the other days in order not to lose time and to be able to use that time. So [words indistinct] special period, sugar harvest, cold season harvest, and elections, all at the same time.

[Unidentified speaker] But this is a people with mettle, as you said, Commander.

[Castro] Yes, the bigger the tasks, the better they are done.

[Unidentified speaker] The construction workers gave up their day off and were there for the Granma landing. There was a row of national vanguard workers. They even voted there in the ordinary district of their projects.

[Castro] Yes, and that is doubly important because there are very great difficulties with national transportation, you can imagine. They have to finish that center they are building more or less in January or February, the first weeks of 1993. If they went to the eastern region, with all the transportation problems, there would be no way of knowing when they would return. Because that would be three, four, or five weeks. All the work would become disorganized. They went to the Granma landing ceremony, but they gave up the day off they would normally have had on that date. Those are very good construction workers, in the Granma Landing Brigade. They are from Granma, although there are some Havana natives among them. Are there some from Guantanamo?

[Unidentified speaker] There are some from Guantanamo, vanguard workers in the Granma Landing Brigade.

[Castro] Well, there are people from the eastern region in many contingents. They are everywhere. I joked the other day that the people of the eastern region should feel proud that Havana had been declared the host for Construction Workers' Day. They celebrated here.

[Unidentified speaker] Now they are in a contest to have the first delegate, who they said was from Santiago de Cuba on the border with Guantanamo, but Holguin came out immediately.

[Castro] First?

[Unidentified speakers] [words indistinct]

[Castro] How was that? Had everyone voted?

[Unidentified speaker] Everyone had voted.

[Castro] That was a rural district. It is more difficult.

[Unidentified speaker] A forestry town.

[Castro] I think that some sugar mills are also going to extend it until 1900, because some voted ....[pauses] I see you every once in a while on the "Today" [Hoy Mismo] program.

[Unidentified speaker] Do you watch the "Today" program?

[Castro] Yes, every time I can. Every time I can—unfortunately, I cannot always watch it.

[Unidentified speaker] Well, I should tell you, Commander, that I think you will have to issue a special resolution so that television will not be misused in the election campaign. It has already been said publicly that Hector Rodriguez is a candidate, nominated by one of the organizations.

[Castro] He has been nominated by a few places, but he has not been nominated as a district delegate, which would have a lot of obligations. I think he could do both things, right?

[Unidentified speaker] He does not have Perot's millions.

[Castro] He does not have Perot's millions, but he has millions of listeners, and people who value his work. He also has a medium in which responsibility and merit predominate, not demagogy or vulgar publicity.

[Unidentified speaker] The "Today" program is going to be on today until late, and it would be nice if you visited us.

[Castro] I did not know that the "Today" program was going to be on today in the morning.

[Unidentified speaker] Since 0700 today. There has also been a parade of well known people on it.

[Castro] I saw that they were interviewing some athletes. I think Milian was there, and some others. I was watching the "Today" program, and I said: I am making those people wait, so I will go and vote. [Rodrigo] Alvarez Cambras was on.

[Unidentified speaker] Alvarez Cambras was also on. Albertico Pujol, an actor, was on, the only Latin American ....

[Castro, interrupting] You were watching television?

[Unidentified speaker] On the monitor. I was here watching on the monitor.

[Castro] You were watching on the monitor over there.

[Unidentified speaker] There is a monitor here, and we have followed different polling stations. There have been cameras at different polling stations, and Alarcon and [Roberto] Robaina were on.

[Unidentified speaker] Ricardo Alarcon was interviewed, and he said something very interesting. I think what Ricardo said was very interesting, because he said, speaking about the two candidates at his polling station, that they were both simple people, both of the people, and either of the two could win, and that this is the pool for 50 percent of the Cuban legislature, Cuba's legislative branch. He said that this occurs in no other country in the world; not even 5 percent in those democracies....

[Castro, interrupting] Are base-level people.

[Unidentified speaker] Exactly. I think it is quite interesting.

[Castro] Yes.

[Unidentified speaker] It is impressive, even the geography [words indistinct]

[Castro] Yes, of course, but we must not forget the number of talented people this country also has on the national level. That is, the other people, the provincial and national comissions, have a tremendous pool of candidates. That is precisely what makes the ANPP well-balanced, the fact that it can be made up of those three categories, we could say: municipal, provincial, and national. On the national level it is more difficult (?to know) how many talents have been accumulated over the course of the years.

[Unidentified speaker] I think the resolutions of the Fourth Communist Party of Cuba Congress, the changes to the Constitution, and the new electoral law are very important, because there is a broader spectrum of the people participating now, Commander, and I think this is very important.

[Castro] I realized that there is a detail in the electoral law that is contradictory. This is that the minimum age to be a deputy is 18.

[Unidentified speaker] Exactly.

[Castro] I know some people who are not 18 years old, in the student sectors, who are very valuable, very mature, capable, hard-working people. But they cannot be on the list, the pool of candidates. They are more than 16 years old.

[Unidentified speaker] That could be discrimination.

[Unidentified speaker] They can be district delegates.

[Castro] Yes, they can be district delegates, but they could be deputies. I know people who have the qualities to be deputies. I said: This law does not set any limits on anyone except the deputies. Because for the other posts, the country does not set any limit of 18 years of age or older. I say if the right to vote is granted at age 16, the right to be elected should also be granted at age 16.

[Unidentified speaker] The law can be improved, also.

[Castro] Yes, fortunately, it is not a part of the constitution. But I realized this, seeing and receiving information and news and meeting with people. I asked for the names of candidates and I realized that some very valuable people ....[pauses] You can see that the FEEM is participating in the candidacy commissions, and there are FEEM cadres who are younger than 18 years old, so they cannot be among the pool of candidates. I say that this is a contradiction. What is this two-year difference supposed to mean? If they are granted the right to vote, they should be granted the right to be elected.

[Unidentified speaker] Commander, and about the participation of the union movement?

[Castro] I think the participation of the union movement is key, because it chairs these candidacy commissions. This is natural, because it has the greatest strength and is the most representative, we could say, of our revolution. I think it is very good that the union movement chair the commissions. This was the right thing, absolutely right.

[Unidentified speaker] An interesting thing, Commander, is that in the commissions, on these (?levels), it is not only people from those organizations or cadres from those organizations who have been nominated. Rather, candidates have arisen and been nominated from the whole range in the municipalities, the whole range in the provinces. It is very interesting.

[Castro] The vast majority of the nominations are not from the sector. Otherwise, they would have fallen into sectorialism, we could say. I asked the FEEM students how many they had nominated from the FEEM. They had 10, out of 130 plus. I asked those from the Federation of University Students [FEU] how many they had nominated from the FEU. They had nominated on their national list—I am referring to the national list; I do not

know how things went in the provinces and municipalities—they had nominated 14, out of 134. The list of candidates drawn up by the Cuban Workers Federation [CTC] is much longer. I think it is double. I think it is 268.

[Unidentified speaker] Commander, these elections coincide with Educators' Day and also with the 70th anniversary of the FEU.

[Castro] That is strange, isn't it? So many things have come together, and all because it was a Sunday. If 21 December had been a Sunday, the elections would have been on 21 December.

[Unidentified speaker] [words indistinct] but today is the FEU anniversary.

[Unidentified speaker] With that pretext, they got up early to wake up people, the FEU people.

[Castro] The FEU people, right? There are a lot of them, because there are large numbers of university students in this country.

[Unidentified speaker] More than 120,000.

[Castro] Yes, counting those who study directly, as regular students .... [pauses] There are fewer regular students. There are about 100,000. The number has been going down a little. Otherwise, everyone here was going to be a university graduate. Then there is always the exodus from the rural areas to other kinds of activities. There are a lot of people with degrees, but enrollment has been going down. The number of regular students is wonderful, but there is also an impressive amount of talent. This is shown in events like the [National Spare Parts] Forum. We have proposed changing its name to the National Science and Technology Forum. We will have to improve its name, because it is no longer a spare parts forum. That is how it started, although they improved it by adding equipment and advanced technologies. It is more complete to say National Science and Technology Forum. However, it is impressive. The things that were discussed .... [pauses] The main content was discussed in the commissions, not at the plenary sessions. That is why I like the commissions a lot, because the commissions go right to the heart of the problems. But at the plenary session they could have discussed how each of the programs was being fulfilled. I mentioned some examples: how the program to assemble the turbogenerators was going, the sugar industry, how they are applying....

[Unidentified speaker, interrupting] You were critical of that.

[Castro] Of course I was. How they are applying the sensors to see how much oxygen is in the boilers. We cannot sit around waiting. It must be done quickly. The example I gave about interferon is often a good test. I was talking with an American doctor who is very friendly to Cuba and is a cancer specialist. That was in 1981. He visited here; that is not the only time he has visited. I asked him: What is being worked on the most now in the United States? What is the basic outlook for that disease? Then he told me: Well, we are working with new products that have these characteristics; we are doing these experiments. He said: Why don't you send a doctor to us so that he can become familiar with these experiments? We sent two. There, they heard from that American doctor about (Kanter), the Finnish scientist who had developed the technology to produce interferon from white cells. He was a very noble and generous man, and he said to send two. We sent six. That was what we did. They were the founders of biotechnology. We sent six, so that there would not be only two, so that there would be more people. While they were there, they saw the possibility of producing that product, which was not very difficult to do.

You need to have certain equipment and certain things. While they were there, we were here, preparing a building and gathering the equipment, purchasing some of it. So when they returned with the technology, a laboratory had been set up. That is why I said not more than four months went by ... [pauses] We would have to pin down the exact amount of time that went by, but it was very short, and we were already producing interferon when the dengue epidemic broke out. Dengue is caused by a virus. We used .... [pauses] I do not know whether they suspended the vacations at the Pioneers' camp. They did not, and they were safer there than at home, because if they had any symptom of fever, it was noticed right away, more quickly. The doctors were on the alert. They used interferon then. There was not a single serious case among the children who got sick there. Interferon was effective.

Well, if you know there is a medicine that can cure cancer, can you waste a single minute? That was the view, the philosophy, the spirit. This shows how even in science, things can be done quickly. Because in an epidemic, emergency situation, you cannot wait to do a protocol. Now, our scientists are often the first to take the product. They give themselves the vaccine. That is what the ones working on the meningitis vaccine did. They gave themselves the vaccine. What country is in a better situation with meningitis B than ours? There was no vaccine before. Now with hepatitis B, we are also the first country to vaccinate massively against hepatitis B, which causes terrible damage. Because it is progressive damage, because the problem is the later consequences in hepatitis B cases.

They are working on a cholera vaccine, to find an effective cholera vaccine. The scientists are the first ones to use the vaccines. They are working on the AIDS vaccine, all kinds of vaccines. Just now a viral vaccine center has been completed to produce the triple vaccine. It seems to be very well done. Many people have helped in that construction project. It was the people from Cubalse [expansion unknown] who connected a set of buildings and remodelled all the rooms so that it could be a center for viral vaccines. Now at the beginning of the year, Plant No. 3 of the Finlay Institute will be

completed. That is a tremendous plant for producing vaccines. [words indistinct] prestige and recognition of Cuba with products [words indistinct]

[Unidentified speaker] You said that they are doing many things without a lot of publicity.

[Castro] Yes, without a lot of publicity. Well, we are doing what can be done, but we are also not making a lot of noise about the pain we carry inside because of so many things we have had to halt. We had created the conditions in the materials industry to be able produce 100,000 housing units per year. This includes production of steel rods, bricks, cement, stones, sand, and everything. Suddenly, we have had to halt that program, cut it down to a minimum. This really hurts. We are carrying very great pain inside without making noise about it, waiting for the time when we can resume that.

[Unidentified speaker] These are notes from your speech, Commander. You also said that we have the presence of mind, that we live in a difficult world, but this is a people with mettle, and that we are putting ourselves in the vanguard in a number of fields, speaking about medicine and biotechnology. Now, are we also in the vanguard in the field of our democracy?

[Castro] I am absolutely convinced of it. Whether they want to acknowledge it or not is another question. But everything you can read about the famous elections in the capitalist world, where there is almost no democracy, because it is money that prevails, and advertising, publicity [words indistinct]. Some uprisings against that have been occurring. Because in Peru there was a general uprising against all those election methods and they elected someone who had not been known before. They became tired of it. These phenomena may be repeated in some other places. However, when one sees how the advertising works, the resources spent on those campaigns, the interests that are being defended, you realize that no person of the people, truly of the people, has the opportunity to be a deputy or anything.

In addition, it is the parties who draw up the lists and rank the candidates. The people do not vote for a candidate. They vote for a party. So the party nominates and elects. They carry out surveys to calculate how many votes the party has, more or less, and they know that the top one, two, three, four, or five candidates will be elected. The rest are just stuffing to get votes, to get publicity, but in those cases the parties nominate and elect.

In our case, the people nominate and elect. That is the essence of our system.

[Unidentified speaker] In the Batista period, there were 14 parties.

[Castro] There are countries that have 30 or 40 parties. There is a complete atomization of society. Now, the formula we have come up with here is precisely one that reconciles a democratic electoral process and the existence of a single party, in which the party's role is to ensure that all the principles and standards are complied with, and the masses' role is to nominate and elect. That is being complied with rigorously, strictly. While we have this, we should not wait for them to acknowledge it, because they will still ask whether there were elections or not. They will ask that. There are many people to whom I explain what we do, and they are amazed. They say: Why is this not known? I say: Do not blame us for why this is not known. Do not blame us that the transnational media companies are in the hands of imperialism. They are amazed when we explain in detail how the elections are carried out. The participation is incredible.

In the United States, with all the billions spent on advertising.... [pauses] Because they talk about 100 million or a bit more, but that is what they have spent officially. Each candidate and everyone has spent incredible amounts of money. In spite of these billions, 52 or 53 percent voted. Because there were three candidates. There is no doubt that Perot appeared and moved the gameboard a bit, when he ran as the third candidate without a party. He got quite a few votes. We must say that he got quite a few votes, which is a sign of discontent in American society. This candidate appeared and got 19 percent of the vote. But, well, he moved the board a bit. I think 52 or 53 percent voted. Often less than 50 percent vote. They elect the president with 23 or 24 percent of the vote, of the people who have the right to vote.

It is a disaster, at least that is what I think. I am absolutely convinced that the electoral system they try to present as a model, and impose on the world, is a disaster. They want to impose it on the Africans, the Asians, and everyone. The whites invented it, as the saying goes. They invented it, and they want to impose it on everyone else.

[Unidentified speaker] Commander, in your opinion, what is the significance of Bush's defeat?

[Castro] I have not wanted to talk a lot about the U.S. elections. I have explained them publicly. But, well, they voted against a pitiless policy which neglected the unemployed, the poor, the retired, young people, women, and everyone. To see the significance of these elections, you have to analyze who voted for Bush and who voted against Bush. It must be said that the vast majority of the black population, for example, voted against Bush. The vast majority of the Hispanics—with the exception of the Cuban exile community [gusanera]—voted against Bush. The vast majority of those who earn less than $75,000 per year voted against Bush, and the lower the income, the higher the percentage that voted against Bush. Most women voted against Bush. Young people from 20 to 30 years old and people more than 60 years old voted against Bush.

So all the less favored and most neglected sectors in the United States voted against Bush. This was what gave

Clinton the victory. They voted against the neoconservative policy, that policy they are trying to impose on the rest of the world, everywhere, with budget deficits and all that. Of course, this policy is very complicated. The economic situation in the United States is extremely complicated, and you do not know.... [pauses] I am curious to see how they are going to try to find a formula for all these problems, the budget deficit, reducing the gigantic public debt, and at the same time improve health care and education, and find jobs. Well, it is almost impossible. It is like trying to square a circle. So one is curious, and one reads the news about the measures they are drawing up.

However, the economic situation in the world is very difficult. It is very critical everywhere, in the Third World. What has happened in Somalia could be the future of all of Africa, because the deserts are expanding, (?drought) is increasing, the population is growing. It is a terrible, truly terrible, situation. We do not have to talk about what is happening in the former socialist countries because it is very well known. It is dreadful, terrible.

[Unidentified speaker] Nevertheless, Commander, we are finishing 1992. It has been a truly difficult year, but we are finishing it with elections and great optimism about the scientific results of our researchers. How are we now going to face 1993?

[Castro] We must be prepared for a difficult 1993 also. I think we must face it with the same spirit with which we have faced this year. It is possible that people do not even imagine the efforts that must be made every day to respond to the needs and problems we have on a daily basis, with limited resources. Because what happened in the socialist bloc and the USSR has affected us in many other areas. They reduced their oil production, it dropped, and this will contribute to raising oil prices. This touches us very directly. Their food production dropped, they went to the international market to find certain foods, and this raises the prices we have to pay for food. They are no longer a sugar market at the level they were, and this also has an affect and exerts pressure on sugar prices. So everything that happened there has harmed us directly, really, in many areas. Really, (?it has been) a terrible year.

Now, perhaps one of the greatest problems we have is that a population that was almost half .... [pauses] There were about 6 million Cubans and now there are almost 11 million [words indistinct] about 18 million, and before about half of the population had electricity. Now with double the population, everyone has electricity. Everyone means more than 90 percent have electricity. Oil does not have the prices it had in 1959 or 1960. Oil has a monopoly price. If we had the same oil prices as in 1959 and 1960—which were the normal market prices, not monopoly prices—with 1 million tons of sugar we would get all the oil the country needs right now. We produce sugar almost only to buy oil.

[Unidentified speaker] We spend 40 percent of our (?exports).

[Castro] Possibly more. Almost 3 million [dollars] per day. So that you will have an idea, we spend the equivalent of 10,000 tons of beans—approximately 10,000 tons of beans—per day on fuel. It depends on the beans; sometimes a ton is worth $500. Well, when a ton is worth $500, 10,000 tons means $5 million. When a ton is worth $400, then it means $4 million. At $300, we spend almost the equivalent of 10,000 tons of beans on fuel, so you can see the importance of fuel. So, what can you do? The country will become totally disorganized if you reduce electricity even more. All the health care and education services will become disorganized. Production will become disorganized. Everything will become disorganized. Because we had reached, on a solid foundation, a level of electricity use that has become the major share of our spending. Because even with 2.2 billion [unit not given], if we were in 1959 or 1960, we would have had a much better time.

Our problem, however, is that we have to use almost all the sugar we produce for buying fuel. All the rest of the country's needs come later. That is the problem. Only a country like this one could remain organized under these conditions, could resist under these conditions, only a country like this one in its moral aspect, its dignity, courage, and heroism, and with a system like ours. Otherwise there would be the most absolute chaos and anarchy in any other place in the world that had received the blows our economy has received. That is why I have said that these are among the most brilliant pages in the history of our country. That is why I say that no one has a right to rest, to waste a single minute, a single second, of this effort.

Work is being done, a lot of work, but we are also working with discretion. Because if we publish what we have done, we create obstacles, we provide information to the enemy, who is acting unceasingly, relentlessly. We can say that the entire U.S. Government is working on the embargo. All the U.S. embassies in the world are working on the embargo. This is not the Torricelli Law. It is more than the Torricelli Law. The Torricelli Law is a formalization of what they have been doing. But they harass every trade operation done with us. They pressure any businessman who visits Cuba, any businessman who wants to do a deal with us, a joint venture, a trade operation. One by one, throughout the world. You can imagine such a powerful, hegemonic country exerting pressures on an individual merchant or businessman. Some defy them, but there is a large number who cannot afford to defy them. You can say that there is a whole apparatus working on this. It is not that this is in the laws or regulations, but rather in imperialism's daily actions against our country.

That is why any information they receive in this regard.... [pauses] We have given a lot of warning so that none of the organs will say anything. We tell them: Do

not publish this. However, they are somewhat ingenuous. They think that since everything we are doing is proper, moral, and legal, why not publish it? They have no idea of the scope of the U.S. pressures, and how far the U.S. pressures reach. So we had the socialist bloc as a pillar, it disappeared, and we are left with the embargo. Think how right we were during the October missile crisis to demand an end to the embargo. The embargo could have disappeared during the October missile crisis. We were unhappy with the concessions and mistakes that were made, because they should have returned the base to us then, because no one was going to be willing to start a world war because of a Yankee base or an embargo, or crazy things like that.

I have studied that historic period a lot now on the occasion of the 30th anniversary, and many things have been learned about that time, many plans. This has been learned because of the publication of documents in the United States, how they continued preparing their plans after the Bay of Pigs. But the October Missile Crisis was one.... [pauses] The embargo could have disappeared then. It is much more than regulations, I repeat. It is a systematic, constant, relentless operation against this country.

Nevertheless, we are resisting, and we are the only ones, the only country in the world, who are subject to this pressure. We are the only ones. I think the merit our people are earning at this time has no parallel in history. That is my opinion, and I think it is an objective one. There have been more difficult moments, much greater suffering. There is no doubt that this was so during the war for independence. There is no doubt that this was so during the concentration plan. But in any case, a nation in modern times, a nation that has reached the level our nation has.... [pauses] Because things are relative. I see the sacrifices it is making at a time like this [words indistinct]

[Unidentified speaker] Commander, (?to take advantage of what) you are saying. We are reaching the end of the year and we may not have the opportunity to see you again. What message do you have for the people in evaluating 1992, now that we are reaching the end of the year?

[Castro] I say that we should continue to struggle with the same spirit of struggle with which we have struggled in 1992, and with the same confidence in victory.

[Unidentified speaker] The will to unite, as Marti called it, seems to me to have grown to a peak on this election day.

[Castro] That is a Cuban thing, right? We do not know ourselves well until we have difficult problems, but it seems that we have always been like this. All our lives we have admired what happened in other eras, what happened in the last century. All our lives we have admired the war of 1868 and their ability to resist, and we have admired Maceo, who in spite of his 10 years of exhaustion opposed and rose up against the Baragua pact. All our lives we have admired the Cubans of 1895, I would say. Then there were the Cubans of the struggles of the republic and the final war of liberation.

But our admiration was always bent with great respect towards the former, and still bows with great respect towards them, because of what they did, because of what they were. The nation did not even exist then. I think that is great proof of the importance of moral values, and how those values which were already being expressed in that era are widespread now and seen in the entire nation. At that time, only part of the people fought. In our war for independence, the first one, only part of the people participated. Then in 1895 a larger part of the people participated. In this struggle, all the people are participating. If we admire those people for what they did, we have reason to admire these people for what they are doing. If we admire those people's ability to unite, we have to admire even more these people's ability to unite.

I must also take advantage of this occasion to congratulate you for the excellent work you are doing in the special period, and wish you a 1993 also of great dignity, heroism, and success.

[Unidentified speaker] If any country has a right to succeed, it is ours, you said at the Forum. You still say that.

[Castro] I am convinced of it.

[Unidentified speaker] Thank you very much, Commander.

Haiti

BP-FNCD Specifies Points On Bazin's Questioning

FL2112161192 Port-au-Prince Radio Metropole in French 1145 GMT 21 Dec 92

[Text] Some senators from the opposition are planning to question Prime Minister Bazin this Tuesday, 22 December. Among other things, they wish to discuss: Negotiations that were supposed to end the embargo; respect for the university's autonomy; the return of all local officials to their jobs; social concerns; 100,000 jobs; and the laws for the implementation of democratic institutions provided by the Constitution.

It should be noted that activities in the Senate have been at a standstill for a few weeks. The Senate is unable to hold a session due to a lack of quorum. More than 10 senators are on vacation, some for the Christmas holidays, and others in order to campaign for coming senatorial elections.

Guatemala

Two Bombs Explode in Guatemala City

PA2212033592 Mexico City NOTIMEX in Spanish 0251 GMT 22 Dec 92

[Text] Guatemala City, 21 Dec (NOTIMEX)—Two bombs exploded on 22 December in different parts of Guatemala City; one at the headquarters of the Association of Guatemalan Journalists (APG) and the other in front of City Hall. So far no victims have been reported.

According to volunteer firemen, the first device exploded at City Hall while the mayor was meeting with businessmen to find a solution to the problem posed by the public transportation sector, which has been on strike since last week demanding higher fares.

The explosion shattered the building's windows but no victims were reported. Municipal Police have initiated an investigation.

The other bomb explosion at the APG headquarters also caused some damage.

The incident took place at a time when relations between Guatemalan President Jorge Serrano Elias and the press are at their lowest point.

The president has asserted that the press is "affecting democracy" with its criticism of Congress, the Army, and the Supreme Court of Justice.

The National Council for the Defense of Reporters Rights [Consejo Nacional para la Defensa de los Derechos del Periodista] rejected the characterization of reporters as "destabilizers" and pointed out that the climate of confrontation created by the government against the press has become dangerously radical.

Army Spokesman Claims FMLN Rearming URNG

PA1912014192 Guatemala City PRENSA LIBRE in Spanish 18 Dec 92 p 6

[Text] The Farabundo Marti National Liberation Front [FMLN] serves as a sounding board for the Guatemalan guerrillas, Army Spokesman Julio Yon Rivera said on 17 December, commenting on charges by the Guatemalan National Revolutionary Unity (URNG) that the Army is rearming.

Yon Rivera said it is the guerrillas who are rearming, which is why they exchanged their M-16 and G-3 rifles for AK-47's, most of which came from El Salvador following the peace process. This is proof that the URNG follows international instructions.

Yon Rivera denied that the Army is preparing to solve the domestic conflict through war, as Miguel Angel Sandoval of the URNG political-diplomatic commission reported in El Salvador, where he made accusations against Manuel Conde, head of the government peace negotiating delegation.

Sandoval said that Conde raised doubts over the honor of the UN Observers for El Salvador making his statement that the FMLN supplied weapons to the Guatemalan guerrillas just as the United Nations was verifying how the Salvadoran guerrillas destroyed whole arsenals.

Yon Rivera admitted that it is impossible to control the smuggling of arms to guerrillas because, like drug trafficking, arms do not necessarily enter the country through legal border points but may take many turns before entering national territory.

The officer said that gunrunning is very easy because of the way work is done at ports. He explained that is why any shipment can leave Panama, go to Europe, then to Jamaica, and then be unloaded in Santo Tomas de Castilla.

Honduras

Callejas Criticizes EC Banana Import Quotas, Taxes

PA2212023892 San Pedro Sula TIEMPO in Spanish 19 Dec 92 p 8

[Text] Tegucigalpa—The EC decision to establish banana import quotas represents the destruction of Latin American production, President Rafael Leonardo Callejas has said. Callejas was in the Estados Unidos neighborhood in Tegucigalpa handing in 296 land ownership deeds when he stated: "This is the destruction of the Latin American banana system."

The EC agriculture ministers met in Brussels on 17 December and agreed on a 2 million-ton quota and a 20 percent tariff on banana imports from Latin America.

It was also agreed that any imports above the 2 million-ton quota will be subjected to a 170-percent tax plus $1,000 per ton.

"The EC stand is unacceptable. This is not what we had talked about. This is not what we had been negotiating. We feel we have been abused and betrayed by the EC," Callejas said.

The president said the EC decision, which will become effective in January 1993, will reduce the flow of 170 million boxes of bananas yearly to only 20 million boxes in 20 years. He added that losses will amount to $750 billion, and 50,000 jobs will be lost in the next decade.

Callejas said he contacted Colombian President Cesar Gaviria, Costa Rican President Rafael Angel Calderon, and Panamanian President Guillermo Endara on 17 December to discuss the subject.

Callejas said there are plans to hold a presidential summit of Latin American banana-producing countries

as soon as possible to define their stand regarding the EC. Callejas said the time and place of the summit will be determined by either the Colombian or Costa Rican president. He added that the economy ministers of the banana-producing countries would meet in San Jose on 19 December.

The Honduran president finally said that on 18 December he talked with U.S. Vice President Dan Quayle and, through him, with EC president Jack Delor "to make it clear to him that the decision on banana imports is negative for the American continent."

Nicaragua

'Military Source' Says Planes Supplying Rebels

PA2212044092 Managua EL NUEVO DIARIO in Spanish 20 Dec 92 pp 1, 4

[Report by Moises Castillo and Jose Francisco Garcia]

[Text] Matagalpa—A very reliable military source has informed EL NUEVO DIARIO that mysterious aircraft have been supplying weapons, military materiel, and provisions to approximately 300 men operating in the mountains of Pancasan, Guapotal, Aguas Marias, and Pila Grande in Matagalpa Department.

The source explained that the recontras have new FAL rifles, RPG-7 rocket launchers, jungle boots, sophisticated communications equipment, and other foreign-made military materiel.

A peasant from Pancasan said two aircraft (a helicopter and an airplane) were seen on the afternoon of 18 December over Cerro El Kerragua in Pancasan, where they dropped heavy packages.

Regarding the military situation in Waslala, Lieutenant Colonel Rodrigo Gonzalez, chief of the Sandinist People's Army 6th Regional Command, confirmed that airborne troops have been deployed to Cerro El Kerragua and that the unconventional forces are retreating to the mountainous depths of Rio Blanco.

The ranking military chief—who was briefly approached at an officers' party—admitted that sizable rearmed groups have been mobilizing near Waslala, but he explained that the town is no longer under siege by unconventional forces.

A Government Ministry source denied a radio report on the alleged transfer of wounded individuals from Waslala to Matagalpa in ambulances. The source asserted that over the past few hours the situation has been calm in that northern town and no serious incidents have been reported.

Peasants in Matagalpa have reported that 300 heavily armed recontras headed by "El Veloz" are being supplied by unidentified aircraft from various areas in the Pancasan region, Cerro Colorado, Cerro El Kerragua, and Cerro Las Mulas in Matagalpa Department.

The supply flights were first seen on 1 December when they dropped packages that are believed to have contained weapons and military materiel. The 300 recontras are armed with AK, FAL, and G-3 rifles and M-79 and RPG-7 grenade launchers. The force has remained isolated from the other recontra groups led by "El Charro" and "El Guapote."

Peasants who reside in the area fear for their lives. It has been confirmed that recontras who have their command post in the Las Mulas region east of Rio Blanco operate in the areas in question.

Pantaleon Santamaria said he finds the identification cards of armed recontras who go from one place to another as if they owned the lands and instill terror in the peasants. "I encountered a group of 10 recontras and they detained me for half an hour to question me about the presence of Army patrols."

Peasants who reside in Pancasan assert that airplanes were seen in the area on 18 December and that the recontras have been receiving supplies since 1 December.

San Antonio Sugar Refinery Workers End Strike

PA2212013492 Managua Radio Sandino in Spanish 1830 GMT 21 Dec 92

[Report by Luis Emilio Arroliga]

[Text] The strike at the San Antonio Sugar Refinery ended at noon on 21 December. A total of 5,500 workers returned to their normal activities. The sugar cane harvest has returned to normal and the machinery and refineries have been turned on. The strike staged by workers, who were demanding social benefits, resulted in losses of more than $15 million. Approximately 15,000 quintals of refined sugar cane were lost each day during the strike, according to refinery officials. Of the six labor unions, only five signed the agreement to normalize harvest activities. Several riot police trucks left the San Antonio Sugar Refinery installations after an agreement was reached with workers to end the strike.

Panama

Linares Hopes Clinton Will Favor Compensation

PA2112164392 Panama City EL PANAMA AMERICA in Spanish 20 Dec 92 p 8d

[Report by Juan Pritsiolas]

[Text] Foreign Minister Julio Linares stated the election of Bill Clinton to the U.S. Presidency could produce favorable results in the demands for compensation filed by Panamanian businessmen who suffered loses during the looting that followed the 1989 U.S. invasion.

Linares based his opinion on the fact that Clinton "had no role or anything to do with the military action" of the government of George Bush, and thus it is "logical that he views things from a different perspective."

The chief of foreign policy added his office has supported legal actions filed by businessmen demanding compensation and even interceded on their behalf before the U.S. Supreme Court of Justice.

During a 1 September 1990 speech to open Legislative Assembly sessions, President Endara said "in all fairness Panama and its people should receive an equitable reparation" for the damage and traumas caused by the invasion.

Members of the National Council of Private Enterprise filed suits to collect compensation in the United States for damage estimated at $432 million.

Article Praises U.S. Ambassador's Recent Speech

PA2112173392 Panama City EL PANAMA AMERICA in Spanish 21 Dec 92 p 6A

[From the "Hidden Truths" column by Tomas A. Cabal]

[Text] For the first time in the three years since he assumed his post, U.S. Ambassador Deane Hinton spoke loud and clear regarding the government of Guillermo Endara. In a clear warning during a speech delivered before the American Chamber of Commerce of Panama "Hinton recognized the advancements to consolidate Panamanian democracy, but at the same time noted that citizens expect "employees in both the public and private sectors to observe high-level conduct." [quotation marks as published] Hinton warned the Panamanian Government "will not be able to survive if corruption undermines the people's confidence in democracy."

The U.S. ambassador, whom many in Panama feel has behaved as a proconsul, also said "strong areas of the local economy are being exploited by drug traffickers and money launderers who threaten to corrode everything in their path."

Hinton, who will soon end his mission in Panama, categorically said "drug trafficking and money laundering are scourges deeply eroding the Panamanian society."

This speech by a man who has staunchly defended the corrupt government of Guillermo Endara should be a clear warning to influence peddlers and all white collar criminals that Washington's support will not be permanent. Hinton touched sensitive points in our national life when he added that Panama "is an important transit point for the cartels."

Hinton's speech should also be a warning to those lawyers who have been representing the interests of drug traffickers and money launderers who take advantage of the open society system to justify all kinds of dirty businesses.

Obviously, those individuals will soon have to face U.S. justice. Although money laundering was not a crime in Panama until 1986, the proclivity of some lawyers and bankers to have close links with the Palace of the Herons does not inspire confidence in U.S. authorities.

The expansion of drug trafficking and money laundering in Panama has already reached the levels that existed during the Noriega dictatorship. This must worry the Potomac strategists, who watch in dismay how the government that assumed power at a U.S. military base on 20 December 1989 has fallen into corruption, nepotism, and influence peddling.

Regarding the stock company system, Hinton said although they are being used for legitimate purposes, they are also being used "by criminals who have much to hide." This precise statement should be a warning to those "honorable" lawyers who take advantage of current laws to facilitate murky or illegal activities.

Colon Free Zone authorities should also intensify measures to avoid facilitating activities by the Colombian drug cartels. The Colon Free Zone should not continue to be used to ship tons of the mortal white powder.

We congratulate Ambassador Hinton for his recent speech. That message is the best farewell gift he could have given the Panamanian people. We know Mr. Hinton has learned to love this land, and that he feels frustrated when he realizes how bad the government of Guillermo Endara has become.

It is obvious our democracy will continue to be in danger in a country where the presidential key advisers are individuals like Hernan Delgado, Menalco Solis, and other former members of the Noriega regime, and where the Attorney General's Office is headed by a man like Rogelio Cruz.

The warning issued by Ambassador Deane Hinton, which Ricardo Arias Calderon's resignation endorsed, once again shows the United States took Ali Baba, but left us with his 40 thieves.

DEA Conducts Investigation of Drug Money

PA1912183392 Panama City LA ESTRELLA DE PANAMA in Spanish 19 Dec 92 p A1

[Report by James Aparicio]

[Text] The DEA could conclude in January or February an operation to combat crime in Panama related to the growing drug trafficking activity in the Colon Free Zone, businesses, construction, and even banks which involves 63 persons, consulted diplomatic and government sources told LA ESTRELLA DE PANAMA.

The announcement of this alleged operation coincides with the speech by U.S. Ambassador Deane Hinton, who warned that the Panamanian financial system, bearer-share corporations, and the Free Zone "leave the country

open to the exploitation by criminals especially involved in the drug business and laundering of narco money."

Hinton said on Tuesday, 15 December, before the American Chamber of Commerce of Panama, that bankers, lawyers, and Free Zone traders "can make an important contribution to checking narco-related crime as well as protecting their good reputation and that of their country."

Attorney General Rogelio Cruz confirmed the existence of DEA report G1-83-0099/DA1-C1, which LA ESTRELLA DE PANAMA disclosed on Thursday, 17 December, and mentioned [Free Zone Director] Jaime Ford Jr. and Henry Ford [Ambassador to the United States] in alleged money laundering operations for drug traffickers.

"The report has reached me through an unofficial channel, and we are requesting confirmation of the information gathered by the DEA," Cruz stated and announced the start of an investigation by the Attorney General's Office.

Cruz concurred with Ambassador Hinton's concern over money laundering and smuggling of drugs, but explained "we are not going to dismantle the country's legal structure because of it. That would be like eliminating automobiles to avoid traffic accidents," he indicated.

Hinton asked the Panamanian Government to adopt the OAS model legislation on seizure of narco-criminal assets and "to ratify the 1988 United Nations Conventions Against Illicit Traffic in Narcotics." Cruz said that in 1992 alone 6.2 tons of cocaine were seized in the Colon Free Zone, and seven cases are being handled of drugs that were shipped to Europe in Free Zone containers.

Cruz also asked the Customs and Free Zone authorities to avoid the flow of drug money and drugs, which is one of the chief concerns of the DEA and the target of its secret operation. The attorney general confirmed public reports published by LA ESTRELLA DE PANAMA on the alleged ties of officials, former officers, policemen, businessmen, and truckers in drug trafficking in Bocas del Toro Province as well as of reports of the participation of Veraguas Province Judicial Technical Police agents in this crime.

According to Cruz, the shipment from Colombia of unimaginable quantities of dollars in cash by sea or air continues. Officials and private citizens receive the money that arrives in Puerto Obaldia, Darien Province, or flown in from Colombia to the Paitilla Aiport and later taken to France Fields, Colon Province.

That is how the dirty money is recycled through a network of accomplices detected by the Attorney General's Office and the DEA.

Cruz Recommends Defining National Police Identity

PA2112191592 Panama City LA PRENSA in Spanish 21 Dec 92 p 1-a

[Report by Irene Hernandez G.]

[Text] Attorney General Rogelio Cruz has recommended to the government that it define the identity of the National Police through a study of its membership, because investigations on attacks against the democratic system indicate an active member was involved in every attack.

"It has been fully demonstrated the National Police are suffering from an identity problem. If we make an in-depth analysis of the attacks against state institutions and civilians, we would reach the conclusion that a member of this institution is involved in most of them," Cruz pointed out.

Five policemen were injured when a "homemade bomb" exploded at the San Felipe Station after the device was removed from the parking lot of the mayor's office.

The attorney general thinks those who insist on toppling the government of President Guillermo Endara through violent means, such as these attacks, "are doing a foolish thing," because his term will end in two years.

Cruz added these terrorist actions involve a group of members of the defunct Panama Defense Forces with the "evident collaboration" of certain current members of the National Police.

He criticized efforts to eradicate militarism solely through constitutional amendments, because the police still lack identity.

Comptroller Office Reports Rise in Foreign Debt

PA2012155492 Panama City EL PANAMA AMERICA in Spanish 20 Dec 92 p 1A

[Report by Arnulfo Barroso Watson]

[Text] A report by the Comptroller General's Office indicates the central government's foreign debt rose this year by $168.7 million and the contractual debt rose by $109.7 million, although the internal debt went down $59 million.

The report added that the central government's foreign debt increased from $2.5932 billion to $2.7619 billion, a figure reflected at the end of the third quarter of this year. The contractual debt rose from $3.4332 billion on 30 December 1991 to 3.5429 billion on 30 September 1992.

During this same period, the internal contractual debt dropped from $840 million to $781 million, as a result of the amortization by the central government, the report indicated.

The amortization is broken down as follows: $35.6 million in bonds and promissory notes to the Social Security Fund (CSS), $1.5 million to government sources through loans to the CSS and the National Mortgage Bank (BHN). The amortization to the Panama National Bank totaled $17.7 million. [figures as published]

The following reductions were reported in private sources: $4.2 million in the registry of internal bonds whose maturity had expired, $4.4 million through the banking reserves, $500,000 in surety bonds that were returned following the cancellation of the banking license, and $700,000 on new obligations on the delivery of leasing bonds for equipment for the Agriculture Ministry and for the purchase of land for the Housing Ministry.

Danilo Donai Gallardo Escapes From Jail

PA1812185892 Panama City EL PANAMA AMERICA in Spanish 18 Dec 92 p 1A

[Report by Orlando Mendieta C.]

[Text] Former Lieutenant Danilo Donai Gallardo on 17 December escaped from his cell at the National Police installations. Gallardo is accused of being the brains behind the "Kill the Fat Guy" campaign, whose objective was to overthrow and kill President Guillermo Endara in February 1992.

A news bulletin issued by the National Police reported the event, which took place during the predawn hours. The document indicates that a high level commission has been appointed to determine who was responsible for the escape and to locate Gallardo. At the time of his escape, the former soldier was in the custody of the Police Investigation and Information Department (DIIP).

Former Lt. Gallardo, who was arrested on 6 February, implicated retired Colonel Eduardo Herrera in the scheme to overthrow Endara. Herrera, who at the time was under house arrest, was taken to El Renacer penitentiary because of this accusation.

When the authorities arrested Gallardo, they seized arms found in his home, including such things as fragmentation grenades, a rocket launcher, a Claymore mine, 150 AK-47 rifle clips, and chemicals used in the making of C-4 explosives, found in his home.

Gallardo was the leader of the so-called "Torrijist Resistance Movement", which tried to lure civilians, Defense Forces and National Police members into its files.

The main goal for the Torrijist Resistance Movement was to capture the two vice presidents, the president of the Supreme Court of Justice, the chief and deputy chief of the National Police, and the minister of government and justice. Once this was completed, the group planned to install a provisional government junta.

The police uncovered the "Kill the Fat Guy" plan after receiving reports from several policemen who had been contacted by Gallardo to get them to participate in the coup attempt.

Noteworthy is the fact that Gallardo is a soldier with 20 years of service. He was a member of the Panama Defense Forces Special Counterterrorism Service Unit (Uesat). He has also been identified as being responsible for the explosion of a bomb placed at a house in Hato Pintado.

Argentina

Minister on Falklands, NATO, U.S. Relations

PY2212024792 Buenos Aires TELAM in Spanish 2030 GMT 21 Dec 92

[Text] Buenos Aires, 21 Dec (TELAM)—Foreign Minister Guido Di Tella today said that from his portfolio "we want to establish relations with the Malvinas Islanders," emphasizing that "this does not mean leaving aside the sovereignty" of Argentina over the Malvinas Islands, which is a demand that "remains in force."

Di Tella referred to the main Argentine foreign policy issues in a year-end reception that he hosted at noon at San Martin Palace to honor the diplomatic corps.

The Argentine foreign minister said that there is a "new strategy" for the Malvinas Islands, which originated with the difficulties that the Argentine Government fishing policy has caused to the islanders and to their administration.

Di Tella said that from his ministry "we want to establish relations with the islanders and we believe we will convince them and thus achieve a rapprochement."

He expained to the diplomats, however, that this proposal "does not mean leaving aside the sovereignty" of Argentina over the southern archipelago, which is a demand that "remains in force."

Di Tella said that nuclear nonproliferation "was in 1992 and will remain the central point of Argentina's foreign policy," emphasizing the positive factors of the safeguard agreement signed with Brazil.

He then referred to the possibilities for Argentina to join NATO, saying that in this regard "there is great confusion," because "even though NATO has changed and we cannot ignore the situation caused by the end of the cold war," we "do not yet have a clear idea of the type of relations that we can establish."

Concerning ties with the United States, the Argentine foreign minister said that "they are excellent," expressing his satisfaction over the progress made over the year, "during which we have overcome decades of antagonism and disagreement because of our wrong perception of our position in the international context."

In another part of his speech, Di Tella made a detailed analysis of relations with neighboring countries and of the progress made within Mercosur [Common Market of the South]. He also reviewed the strengthening of ties with the European Economic Community, pointing to the importance that relations with the PRC and Japan will have "in the near future."

Regarding Antarctica, the minister said that "it is almost certain that Argentina will be elected the headquarters of the Antarctic Treaty Secretariat." Concerning the environment policy, he emphasized that "our country played a very active role" at the Rio de Janeiro summit.

Di Tella said that the agreements reached at the last presidential summit of the Rio Group—which was held in Buenos Aires—and the OAS decision to modify its own charter and suspend OAS countries that break with democracy are "a success of the Foreign Ministry."

Finally, he congratulated the diplomats "for having used all their capacity in the search for a better and more efficient Argentine role on the new international stage."

He said: "We are thus doing away with some practices of rhetorical diplomacy, and we are adopting schemes and procedures that are more consistent with this interdependent, complex world in which there is a new political and socio-economic power balance.

Fees on Imported Food, Other Products Reduced

PY2112192292 Buenos Aires TELAM in Spanish 1824 GMT 21 Dec 92

[Text] Buenos Aires, 21 Dec (TELAM)—The Economy Ministry has reduced the statistics fee from 10 to 3 percent for the importation of such products as fish, mollusks, species [as received], tropical fruits, metals, and rubber.

Resolution 1427/92 published today in the official bulletin says that after the statistics fee was increased to 10 percent, a decision was made to exempt from that fee some products that had influence in the production of goods and services, and that this is the reason why it was necessary to establish a new percentage on vegetable and mineral products.

The implementation of the 3 percent fee means going back to the regulation in force before the increase.

The resolution includes among the fresh and refrigerated fish white and yellow tuna, herring, codfish, sardines, and mackerel, and the mollusks include mussels, and octopus.

The resolution also includes other products such as coconuts, nuts, hazelnuts, dates, and pineapples. The species include unroasted coffee, pepper, cinnamon, nutmeg, and saffron, as well as ginger, and cocoa beans and powder.

The mineral products include sulfur, graphite, caolin, calcium phosphate, magnesium carbonate, asbestos, iron ore, copper, nickel, cobalt, aluminum, tin, chrome, tungsten, titanium, cork, ferro-alloys, and rods for copper wire, among other products.

Mercosur Concludes Preparatory Meeting

PY1812203192 Buenos Aires TELAM in Spanish 2100 GMT 16 Dec 92

[Text] Montevideo, 16 Dec (TELAM)—The volume of trade between the member countries of Mercosur [Common Market of the South] amounted to $6 billion in 1992, meaning that trade nearly doubled compared with 1991. This information was disseminated at the end of the preparatory meeting that the four countries held here.

The "highly significant" figure reflecting the region's trade potential includes trade terms between Argentina and Brazil, with the balance for Argentina causing concern among the negotiators for the two countries.

According to Ambassador Jesus Sabra, head of the Argentine delegation and economic integration under secretary, the high degree with which the schedule that was agreed to in Las Lenas is being implemented, and the important technical cooperation with the EC, were also considered important, in addition to the trade aspects during the eighth meeting of the Mercosur Group.

Sabra was accompanied by Alejandro Mayoral, under secretary for economic policy, who said that "an ample opening of the economies of the Mercosur member countries has been achieved" in the short 2 years that the organization has existed.

Argentina's proposal calling for the creation of the Private Sector Forum, an organization that will include representatives from the business, labor, and consumer sectors through the respective organizations in each of the nations, was also agreed upon by the officials.

This meeting was held to prepare the 28 December meeting of the presidents of Argentina, Brazil, Paraguay, and Uruguay that will be held in the city of Colonia, in order to continue with the evaluation of Mercosur's progress.

On that occasion the economy and foreign ministers will study the compliance with the economic schedule that the presidents agreed upon during the middle of 1992 in Las Lenas.

The basic guidelines that were agreed upon during this preparatory meeting will be used for this task: There is satisfaction regarding the high degree of compliance with the schedule, and the EC is going to contribute an important flow of funds for technical cooperation for the agricultural sector, customs reform, and the harmonization of rules and regulations.

Regarding the agricultural sector, the funds will be used to study phytosanitary matters, for the development of research institutes, and for the training of technicians.

Europe's interest in Mercosur has been interpreted as an encouraging political sign, due especially to the fact that the EC countries are the largest investors in Latin America.

The intention that has been expressed by the Japanese Government and businessmen to increase trade with Mercosur was also discussed. A Mercosur delegation is going to visit Japan in the near future.

Finally, it was also indicated that the Inter-American Development Bank is going to assign funds for economic reconversion projects, specifically for agricultural and industrial activities in Mercosur.

Modernization Pact Signed With Entre Rios Government

PY2012221792 Buenos Aires BUENOS AIRES HERALD in English 19 Dec 92 p 3

[From the "Business World" column]

[Text] (DYN-NA)—President Carlos Menem and Entre Rios Governor Mario Moine yesterday signed an accord outlining a provincial public sector modernization programme, through which 2,800 provincial employees will be laid off, and the provincial bank, telephone services, casino, and airline will be privatized. The programme calls for an administrative recess from December 23 to January 15 and the elimination of 16 departments and five under secretariats. The agreement was signed at Government House in a ceremony attended by Interior Minister Gustavo Beliz and other government officials. The province agreed to reduce industrial electricity rates by 20 percent before March.

French Mission Seeks Agreements in Nuclear Field

PY1912191592 Buenos Aires TELAM in Spanish 0343 GMT 19 Dec 92

[Text] Buenos Aires, 18 December (TELAM)—A mission from the French Atomic Energy Commission (CEA) has come to Argentina to meet National Commission for Atomic Energy [CNEA] officials and discuss the possibility of signing cooperation agreements on the peaceful use of atomic energy.

This information was disclosed by the Foreign Ministry, which pointed out that the French Government's mission headed by Hubert de la Fortelle, [name as received] CEA director of international relations, "is the most important one in the last few years"

The members of the French delegation of experts already have held working meetings with officials from the Foreign Ministry and the CNEA.

During these meetings, the French mission members were able to pinpoint specific areas of future cooperation such as nuclear safety, materials, recycling of nuclear

waste with low and medium-level radioactivity, and public acceptance of atomic energy.

The visitors' agenda also included technical visits to CNEA headquarters, the Constituyentes Nuclear Center, the Ezeiza Nuclear Center, the Atucha-I nuclear power plant, the Bariloche Nuclear Center, and the Pilcaniyeu enrichment plant.

According to local diplomatic sources, the French mission members "pointed out that they got a favorable impression of Argentina's accomplishments in the last couple of years in the field of the peaceful use of atomic energy," which "will enable both countries to embark on joint projects of cooperation in the field of the peaceful use of [words indistinct]."

National Deputy for Misiones Province Dies

PY2112181192 Buenos Aires TELAM in Spanish 0252 GMT 20 Dec 92

[Summary] Buenos Aires, 19 Dec (TELAM)—National Deputy Julio Cesar Acevedo of the Justicialist Party for Misiones Province died from cancer today.

Bolivia

Minister on Relations with Chile, Torricelli Law

PY2112181692 La Paz PRESENCIA in Spanish 8 Dec 92 p 7

[Text] Foreign Minister Ronald MacLean said yesterday that "for Bolivia, the best form of relations with Chile is not to have relations" in order not to discuss the subject of the sea outlet. However, he said that the two countries are living in an atmosphere tending toward "improving bilateral relations."

He said there is a strategy for rapprochement with Chile without letting Bolivia lose "at any moment, its main objective: the passage to the sea," negotiations on which will be gradual so as to avoid new failures and disappointments. "We learned our lesson; if we demand conditions, we will not get where we want," the minister said.

He said the two countries are holding talks about several subjects that will allow them to establish greater grounds for communication. "We are following a strategy different from the one we followed 100 years ago," MacLean said, stressing that the two countries are living through a period of good economic negotiations, which could be extended to include business and sports.

"We must create the conditions for reaching an eventual solution to the problem. These subjects will bring us closer to discussing the main subject, once each of these partial subjects are carefully studied and solved," the minister said.

MacLean agreed with his Chilean counterpart Enrique Silva Cimma, who said that bilateral relations "have neither deteriorated nor become stagnant," and that they have improved in the past few years.

MacLean said we are facing many problems of interest to Bolivia, such as the quest for better markets, solving infrastructure problems and port facilities, and the functioning of enterprises.

He said that with the port of Ilo, Peru, Bolivia had obtained a second alternative to reaching the Atlantic Ocean.

The foreign minister thinks that over the past 100 years, Bolivia has applied a wrongful policy regarding Chile, and that hinging "all talks on the sea outlet issue has led to us not talking about anything at all."

"The sea outlet subject has not made much progress.... I would say no progress at all," he added.

He said the country now has a new strategy aimed at creating the conditions for discussing subjects of bilateral interest. "Over the past 100 years we have maintained an aggressive attitude, seeking instantaneous answers," he said.

MacLean said that with the changes implemented in the Bolivian strategy, better medium-and long-term results are expected.

He also recalled that the recent meeting with the Chilean foreign minister has allowed a reconsideration of the pending agenda "which does not exclude any subject" but responds to specific bilateral points.

"Among the problems and important projects that are pending, we made a revision," he said.

The foreign minister announced that the member countries of the Group of Rio will meet in Santa Cruz during the first week of April 1993. For the first time the country will host a summit of this group.

The Rio Group is made up of Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Honduras, Mexico, Paraguay, Uruguay, and Jamaica.

MacLean said that during the summit, the members will "thoroughly" review democracy in the continent, which was the main subject in the recent presidential summit in Buenos Aires.

The group has become very important as a forum to talk with the EEC, Japan, and the United States.

"During the summit, the presidents stressed the progress of democracy in Latin America, and especially discussed the cases of Peru, Venezuela, and Haiti.

"Support was expressed for Venezuela and congratulations for the progress achieved in Peru, where the elections were approved by the OAS," he said.

Peru, he said, will join the Group of Rio after the municipal elections are held in the country next 6 January.

As for Haiti, he said that a negotiation table may be established between the current regime and ousted president Jean Bertrand Aristide.

MacLean said that a meeting of foreign ministers will be held at the OAS in Washington next 14 December to analyze the subject of Peru and a possible amendment to the OAS charter.

Regarding Bolivia's abstention from a vote of approval for the controversial Torricelli Law establishing a firmer U.S. position regarding Cuba, the foreign minister said that this decision was made "carefully" because it is "an American law meant for the Americans."

"Bolivia supports the democratic opening process; any vote in favor may give the wrong signal. We have adopted a consistent position with two objectives: noninterference in extraterritorial affairs, and in order that signals might be sent for a democratic opening" to Cuba, which for 30 years has been facing a harsh economic embargo by the United States.

Candidate Sanchez de Losada Leads in Poll

PY1912200892 Madrid EFE in Spanish 2058 GMT 18 Dec 92

[Text] La Paz, 18 Dec (EFE)—According to a poll carried out six months before the elections and indicating a preference for opposition presidential candidate Gonzalo Sanchez de Lozada, Bolivians want an honest, able, and hard-working political leader.

The local press today released the results of a poll by the Latin American Social Research Institute (ILDIS) reflecting the Bolivian citizenry's democratic beliefs despite the fact that its main problems remain unsolved. Such problems include unemployment, the economic crisis, education, and corruption.

According to the poll results, 48 percent of the people polled mention honesty as the main virtue of a political leader, 11 percent mention ability, and less than 6 percent mention intelligence.

Concerning electoral preferences, the poll reflects a clear preference for Gonzalo Sanchez de Lozada, the candidate of the opposition Nationalist Revolutionary Movement (MNR), with 31 percent.

In second place and way behind, Sanchez de Lozada is followed by Hugo Banzer, the Patriotic Accord's official candidate, with 15 percent. In third place and very close to Banzer appears brewer industrialist Max Fernandez, the Solidarity Civic Union (UCS) leader, with 13 percent.

Tailing are the populist party "Conscience of the Fatherland" of Carlos Palenque, which received 9 percent of the preferences, and leftist Antonio Aranibar, from the Free Bolivia Movement, with 4 percent.

The poll indicates that 23 percent of the people are undecided.

United Left Designates Presidential Candidate

PY2112173792 La Paz LA RAZON in Spanish 8 Dec 92 p A3

[Summary] Socialist leader Ramiro Velasco Romero was designated yesterday by the first national conference of the United Left as its presidential candidate for the June 1993 elections.

Brazil

Collor Dismisses Lawyers; Trial To Be Postponed

PY2112212792 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 21 Dec 92

[Text] Removed President Fernando Collor has dismissed his lawyers in the impeachment trial. Consequently, Fernando Collor's trial may be postponed. The decision will be announced soon by Chief Justice Sidney Sanches, who also is presiding over the impeachment trial, in view of the dismissal of Collor's lawyers: Evaristo de Moraes Filho and Jose Guilherme Villela.

Sanches is meeting now with Senate President Mauro Benevides and the lawyers for the defendant and the accusing party in order to analyze the situation.

Considering that the accused cannot be tried without the presence of his lawyers, Sanches will have to designate a public defender. Following this, the trial no longer is to be held beginning at 0900 tomorrow, as scheduled.

Action to 'Ensure' 'Proper' Defense

PY2112222392 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 21 Dec 92

[Text] Suspended President Fernando Collor has said that he fired his lawyers to ensure a proper defense. Collor further said that he will not attend the Senate trial session scheduled for tomorrow.

This information was released a few minutes ago by Collor's spokesman, Etevaldo Dias, who read a note to the Brazilian people from suspended President Collor. In the note Collor says that the dismissal of his defense lawyers is not a dilatory measure or an attempt to stay in his post, it is simply a move to guarantee his defense.

The measure should force the delay of his trial until the Supreme Federal Court appoints new defense lawyers.

Collor To Receive Public Defenders

PY2112234392 Rio de Janeiro Rede Globo Television in Portuguese 2210 GMT 21 Dec 92

[News conference by Chief Justice Sidney Sanches from the office of Senate President Mauro Benevides in Brasilia—live]

[Text] [Sanchez] In my capacity as president of the impeachment trial, at 1830 today I received a petition signed by lawyers Antonio Evaristo de Moraes Filho and Jose Guilherme Villela. The petition reads as follows:

In the impeachment trial case involving President Affonso Collor de Mello, we hereby inform Your Excellency that by virtue of the attached letter received today from our illustrious client, they will be unable to attend the Federal Senate impeachment session scheduled for 22 December 1992, either for accompanying the questioning of witnesses or for preparing the accused party's verbal defense. [sentence as heard]

The lawyers therefore announce that in view of the contents of the president's letter, they will not report to tomorrow's session.

The president's letter reads as follows:
Messrs lawyers Antonio Evaristo de Moraes Filho and Jose Guilherme Villela:

I have seen the noble and strong effort that you have made in the past few months, in keeping with the powers I bestowed upon you to defend me in the impeachment trial before the Federal Senate. As of the first defense step, which was taken in October, up to the last memo dated 20 December, you drew up more than 300 pages showing the falseness of the accusations against me. You also fought at the Supreme Court through succesive requests for injunction to preserve my right to defense, which is an essential expression of human rights. One of such requests—dealing with relevant topics for clarification of truth—is even still to be considered by the Supreme Court. Since the beginning, you have upheld the need for a legal trial at which the Federal Senate may actually perform as a higher court of justice.

Meanwhile, I should say that I have concluded that at this time the minimum conditions for an impartial trial—at which the arguments of my defense may be heard and deliberated impartially—are nonexistent. Beyond myself, I must preserve the institution of the presidency, which will be jeopardized if I participate in a trial held under openly abnormal conditions.

Consequently, I inform you that I have specifically decided that you should not report on my behalf at the Federal Senate session due to address the impeachment trial. In order to avoid any ethical doubt on your part, I hereby cancel the powers that I bestowed upon you to defend me in keeping with trial documents and certificates.

I reiterate my thanks for your invaluable services to my defense and I reiterate my confidence in your professional work as honorable lawyers, whose cooperation will be expected for my defense at the Federal Senate.

[Signed] Cordially,

Fernando Collor.

I now will ask lawyers Jose Guilherme Villela and Antonio Evaristo de Moraes whether they would agree to be designated public defenders for tomorrow's session. Considering that the president sill has confidence in them, I have no objection to their being designated public defenders.

[Villela] As you can see Mr. President, I cannot accept this proposal because it would imply—in my opinion—impeding the defense that is being suggested, in keeping with the law, by the president. Consequently, accepting this designation would amount to frustrating a desire that he expressed in his letter which, in my opinion, reflects a legitimate right to exercise his defense.

[Moraes Filho] Mr. President, my client has specifically decided that the lawyers he had chosen should not defend him. I obviously could not go against my client's will. I feel honored by Your Excellency's suggestion, but I have to refuse.

[Sanches] Well, in view of this public answer by the lawyers declining their designation as public defenders, I maintain my decision to make the designation tomorrow at 0900, at the beginning of the session. If the president reports at the session with other lawyers, the session will be held. If neither the president nor his lawyers report, I will have to designate a public defender, and I will set a new session for Tuesday, 29 December. The public defender will not need a period extending beyond the period that has been established already because the defense that was submitted by the defense lawyers has been very efficient—as usual—and the public defenders may use it, with full gurantees for the president's defense.

The designation will be made tomorrow anyway, because only if the president and his lawyers do not report to the session will there be actual contempt of court under the terms of the impeachment law.

[Unidentified reporter] Mr. Justice, what is your interpretation of the removed president's decision to dismiss his lawyers at the last minute?

[Sanches] I cannot make any ethical evaluation. As president I should remain impartial and I should not comment on the behavior of the parties. What I can say is that after the accused party dismissed his lawyers, and after they declined the offer to be designated public defenders, I have to designate a public defender.

Minister Installs Telecommunications President

PY2112221392 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Dec 92 Economy Section p 6

[Summary] Communications Minister Hugo Napoleao on 17 December installed Renato Archer as the new president of the Brazilian Telecommunications Company, Embratel, replacing Carlos Paiva Lopes.

Interpol Discusses CV Drug Trafficking Activities

PY2112143092 Sao Paulo FOLHA DE SAO PAULO in Portuguese 17 Dec 92 Section 3 p 1

[Report by Sergio Torres from the Rio de Janeiro bureau]

[Text] Contacts maintained with international drug traffickers in prison have permitted the CV (Red Command) to remove go-betweens in the purchase of cocaine produced in Bolivia and Colombia. This issue was secretly discussed at an Interpol (International Criminal Police) meeting on organized crime in Latin America that was held in Rio de Janeiro this month.

During a lecture for Interpol officials from 10 European, South American, and North American countries, Claudio Barrouin, the Interpol director in Rio de Janeiro, described as a "penal system deficiency" the incarceration of foreign and Rio de Janeiro drug traffickers in the same penitentiary sections.

According to the Brazilian Interpol analysis, sharing the penitentiary sections with the foreigners allowed local drug traffickers a direct link between the hills [surrounding Rio de Janeiro, where drug trafficking rings thrive] and the producing zones. Thus the so-called "drug trafficking hangout boss" ["dono da boca"] has replaced the figure of the profiteer who used to be responsible for purchasing and carrying cocaine to the slums.

Rio de Janeiro's DRE (Drug Control Precinct) civil police estimates indicate that drug traffickers earn about $27,500 (350 million cruzeiros) in profits for every kilogram of cocaine sold in the hills. Traffickers pay $3,000 (38 million) for 1 kg of pure cocaine.

The drug volume is increased by 50 percent by mixing it with various types of white powders such as boric acid, corn starch, and scraped marble. Each kilogram yields about 20,000 one-decigram bags, which are sold at 20,000 cruzeiros each at the small hangouts where drugs are sold.

Police investigations indicate that a percentage of the sales is allocated for a sort of assistance fund for the CV leaders who have been confined to the Bangu 1, Rio de Janeiro's top security prison. Even imprisoned, notorious drug traffickers like Jose Carlos dos Reis Encina, alias Escadinha, and Altair Domingos, alias Nai, continue to manage the drug trafficking activities in their home areas.

According to DRE Deputy Chief Luis Alberto Antunes, during the past two years the CV has also been engaged in kidnappings. Antunes said the new CV leaders have discovered that kidnappings are a way of making easy money. Some unconfined CV leaders like Ernaldo Medeiros, alias Ue, and Adlas Ferreira, alias Adao, are reportedly the kidnapping gangs' bosses.

Chile

Carabineros Adopt Anti-Drug Trafficking Measures

PY1812195892 Santiago Television Nacional de Chile Imagen Internacional in Spanish 2330 GMT 17 Dec 92

[Text] Carabineros have adopted new measures to fight drug trafficking. Among them we can mention increasing patrols in the outskirts of Santiago. The report was announced by OS-7 [Crime Prevention and Drug Control Department] Commander Jaime Rietourd in releasing the annual report and projects for the future.

He said that the Summer Plan has been implemented and it includes more patrols, from the northern zone to Temuco. He also announced that patrols will be intensified in the capital, especially for the purpose of detecting traffickers selling drugs among the young:

[Begin recording] Carabineros will implement what the people want: to repress the neighborhood trafficker and consumption areas affecting the people. [end recording]

As a way to prevent drug trafficking from increasing, Rietourd announced the creation of a zonal unit in Arica and Iquique. He said this initiative will strengthen Carabineros' efforts in the north to control sales and consumption of drugs. He also announced that special patrols have been implemented in Los Andes and other zones to detect illegal marijuana plantations.

Indecisiveness Among Opposition Supporters Noted

PY1812213192 Santiago LA TERCERA DE LA HORA in Spanish 11 Dec 92 p 8

[Article by Alfredo Gonzalez P.; all figures as published]

[Text] Participa Corporation Director Monica Jimenez and researchers Roberto Mendez, Marta Lagos, and Manuel Antonio Garreton yesterday released the results of the Survey of Democratic Values conducted by Participa. The survey detected a marked indecisiveness, especially among potential supporters of a center-right candidate for president.

The information released on 10 December was obtained during the second survey conducted by the corporation in November. During this survey, 1,505 people were polled in Antofagasta, La Serena, Coquimbo, greater Santiago, Valparaiso, Vina del Mar, Concepcion, Talcahuano, and Temuco.

One of the survey's most remarkable results is that 45 percent of those who prefer an opposition candidate do not give any specific names, while only 15 percent of those who will vote for a Coalition of Parties for Democracy [CPPD] candidate have no one in particular in mind.

Upon being asked whether they will vote for the CPPD or the opposition in the coming presidential elections, 59.5 percent of those polled stated that they would vote for a CPPD candidate while 12.5 percent answered that they would vote for the opposition. A very high percentage, 27.5 percent, answered that they are either not sure, do not know, are in doubt, or could not care less.

Among those who would vote for the opposition, 12.3 percent prefer Sebastian Pinera, 9.1 percent prefer Hernan Buchi, 6.5 percent would vote for Augusto Pinochet, 4.2 percent favor Evelyn Matthei, 2.4 percent lean toward Francisco Javier Errazuriz, and 2.1 percent want Jose Pinera.

Among those who will vote for the CPPD candidate, 48 percent chose Eduardo Frei, 31.3 percent prefer Ricardo Lagos, 1.2 percent want Gabriel Valdes, and 1.2 percent favor Patricio Aylwin.

Equally remarkable is the information obtained about the shortcomings of Chilean democracy. For example, in a survey the corporation conducted in December 1991 on the need to eliminate senators who had been appointed by former President Pinochet, 15.4 percent of those surveyed felt that it was one of the main shortcomings of Chilean democracy. In November 1992, the percentage of people who felt the same fell to 11.8 percent.

An even sharper drop occurred among those who felt the president should be able to remove the commanders of Armed Forces branches. In December 1991, 22.4 percent of those surveyed felt the president should have this power, while in November 1992 only 16.7 percent felt the same. Yet another significant decline was registered among those who believed that the electoral system should be changed. While in December 1991, 24.3 percent believed that a change in the electoral system was very important, in November 1992, only 13.5 still believed this to be the case.

Approval of the administration's performance remains high, even though it is not specified whether this performance is due to President Patricio Aylwin's sensible leadership or to the well-attuned cabinet that is helping him lead the country. The administration is doing well according to 55.6 percent of those polled, while 15.4 percent believe it is doing badly, 19.4 percent do not know what the administration is actually doing, and 9.7 percent did not answer.

Other results show that 65 percent of those polled believe security organizations are necessary to protect democracy, while 29.6 percent believe otherwise.

In view of the recent affair that has had serious effects on political, military, and social organizations, those surveyed were asked whether espionage by state bodies can be justified under certain circumstance. To this 75.2 percent answered that espionage can never be justified, while 19.2 percent felt that it could be justified under certain circumstances.

Former Agent Arrested in Paraguay for Murder

PY2112191492 Santiago Radio Chilena Network in Spanish 1600 GMT 21 Dec 92

[Report by Gerardo Beltran]

[Text] Miguel Estay Reyno, a former communist militant who became a joint command [not further specified] and—subsequently—Diconcar [Carabineros Intelligence Directorate] agent, is being held incommunicado at the Investigative Police Homicide Brigade headquarters. Estay Reyno, recently captured by a special Homicide Brigade team in a Paraguayan border town, will be placed at the disposal of Judge Milton Juica within the next few hours.

This was confirmed by Homicide Brigade Chief Prefect Osvaldo Carmona, who noted that Estay Reyno was officially notified of his detention on 20 December at 0610 and that, as of that time, he has been extensively interrogated by police personnel.

Given this situation, Estay Reyno, alias El Fanta, has been cooperating, responding to the questions posed on the case involving the people [three communist professionals] whose throats were slit [in March 1985]. Special Judge Milton Juica, who will handle El Fanta within the next few hours, will hear this case.

According to Prefect Osvaldo Carmona, El Fanta's arrest was achieved after a strenuous effort by a [special Homicide Brigade] team sent to Paraguay and with the cooperation of the Paraguayan Government that expedited the paperwork to achieve the expected deportation.

[Begin recording] [Carmona] [Words indistinct] the paperwork was expedited to (?allow him) to come to our country.

[Unidentified reporter] What condition is he in?

[Carmona] He is in good condition.

[Reporter] Has he already been interrogated?

[Carmona] He has been questioned by us since his arrival.

[Reporter] Is he willing to cooperate in the resolution of the cases like, for example, the case involving the people whose throats were slit?

[Carmona] We believe he is. At any rate, his degree of cooperation will be determined. It will be determined by Judge Milton Juica.

[Reporter] When will he be placed at the disposal of the judge?

[Carmona] Within the next few hours. [end recording]

Nevertheless, this detention was achieved thanks to a great effort by the Investigative Police, who many weeks ago assigned personnel to that Paraguayan location.

It is also known that the president of Chile, Patricio Aylwin, telephoned his Paraguayan counterpart, Andres Rodriguez, to arrange Miguel Estay Reyno's deportation as soon as possible.

After months of strenuous search efforts and after the initial failure to locate and arrest him, Miguel Estay Reyno was finally captured in the town of Ciudad del Este, formerly Puerto Stroessner, on the Brazilian border.

Afterward, Estay Reyno was taken to the Chilean Embassy in Paraguay where the Homicide Brigade team and Estay Reyno had to stay until they boarded the airplane that carried them to Santiago.

It was mentioned that there were problems, but the effort of one of the Chilean Investigative Police task groups finally succeeded.

After the arrival of the Ladeco [Chilean Airlines] airplane in our country and the notification of his arrest on 20 December at 0610, Miguel Estay Reyno, who is in his forties, has short hair, and is cleanshaven, must now face the charges against him in the case involving the people who had their throats slit, as perpetrator of this triple homicide involving three communist professionals in March 1985.

Romo Mena Faces Ninth Charge of Kidnaping

PY1912020992 Santiago Radio Cooperativa Network in Spanish 2200 GMT 18 Dec 92

[Text] Eighth Criminal Court Judge Raul Trincado has decided to charge former National Intelligence Directorate agent Osvaldo Romo Mena with the kidnaping of Barbara Uribe, a Movement of the Revolutionary Left member who was arrested and is now missing. This is Romo's ninth lawsuit involving arrested and missing people.

Judge Trincado is handling two other cases of arrested and missing people in which Romo is involved as the alleged perpetrator. The two missing people are (Eli Rios) and (Erwin Banjolik).

Romo Mena currently is under arrest at the hospital of the former Santiago Penitentiary.

New Military School Director Appointed

PY2112173492 Santiago EL MERCURIO in Spanish 3 Dec 92 p C2

[Summary] Colonel Emilio Timmermann Undurragada has been appointed director of the Libertador Bernardo O'Higgins Military School, replacing Colonel Javier Urbina Paredes, who will be assigned to a foreign mission.

Colombia

Col Lora Released, Reaffirms Criticism

PA1812164992 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 17 Dec 92

[Report by Miriam Ortiz]

[Text] Colonel Guillermo Lora Ramirez ended a week of detention at a military garrison in Barranquilla, where he was sent after being punished for his statements of 10 days ago. Lora, during a change-of-command ceremony, voiced harsh criticism of his commanding officers. After appearing before a military judge, Lora reaffirmed his criticism. Col. Guillermo Lora did not remain in custody for long and has reaffirmed his harsh words against the Army.

[Begin Lora recording] I may have been impolite with my commanding officers, but I did so to be sincere with my country. I may have been disloyal to my superiors, in order to be loyal to the Army. I knew this was going to happen to me. I was, and continue to be prepared for whatever they wish to do with me, as an individual. [end recording]

According to Lora, what he was seeking by his statements was to awaken the Army, which remains in hibernation.

[Begin Lora recording] I am not attacking the high command. I am attacking a philosophy that begins at the military academies. Colombian soldiers work hard. They are darn good, despite the fact they lack resources. What I am saying is: What better soldiers, how they would improve, if we gave them the resources. [end recording]

He said that now, more than ever, he has the full support of the high command.

[Begin Lora recording] Their statements have been quiet, passive, but everyone has sent me little notes, telephone calls, and many other things saying: Colonel, we are behind you. [end recording]

He was strong in saying that he is not hurt, as some have said, by his transfer to the Leticia municipality garrison. He said there are more important things worrying him.

[Begin Lora recording] What hurts me, as a soldier, is that I cannot go and rest, while the rest of the Army wages its continuous battle. [end recording]

He concluded by announcing he will present to the commander in chief of the Army a document containing a substantiated report on the whole issue, as his criticism is not the result of a passing emotional stage, but the product of an investigation that took more than 10 years.

Editorial Views Clinton Economic Team

PA2012180992 Santa Fe de Bogota EL TIEMPO in Spanish 17 Dec 92 p 4A

[Editorial: "Clinton and His Economic Team"]

[Text] President-elect Clinton last week appointed his economic team, which is dominated by those who the U.S. media refer to as "pragmatic conservatives." The team's first task will be to create in Congress a favorable atmosphere toward the economic policy of the president-elect and, additionally, assuring the domestic and foreign financial markets that the economy will be handled in a firm and responsible manner. Among Clinton's team of advisers are prominent private entrepreneurs, such as Roger Altman, vice president of the Blackstone Group in Wall Street; and Robert Rubin, a New York banker with the firm Goldman and Sachs. The team of advisers also includes political friends and Clinton confidants, such as Thomas McLarty and Robert Reich, a Harvard professor who will become secretary of labor.

Concerning what interests Colombia and, in general, Latin America most, Ronald Brown—a person with mostly a political career—was appointed as secretary of commerce, replacing Carla Hills. Brown served as director of the Democratic Party National Committee. If the good economic relations maintained with Mrs. Hills—with whom Colombia achieved significant commercial concessions—are taken into consideration, it can be expected that these relations be maintained under the administration of new Commerce Secretary Ronald Brown and that Mr. Brown will not yield to the protectionist trends that sometimes appear within Clinton's economic team. Leon Panetta, budget office director appointed by Clinton, is a clear advocate of that protectionist trend. As representative to the House for the State of California, Panetta was the author of a draft bill to impose taxes on the importation of flowers from Colombia and other Latin American countries. This initiative was not approved by Congress and we trust that, under the Clinton administration, this type of bill with a clear protectionist mark does not begin to start to come to life.

U.S. economic experts agree on the fact that the Clinton administration will face an immediate double challenge: The creation of jobs and the reduction of the fiscal deficit. These are two gigantic tasks which, according to many, are at odds with each other. The most effective way for the government to create jobs is through public works projects. This will translate into an increase in government spending, which, will in turn, have an effect on the existing enormous deficit. This dilemma will be the center of the foreboding economic debate. It will be the first difficult test for Clinton's recently formed team of advisers.

Poll on Gaviria Administration, Cabinet Noted

PA2012013392 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1700 GMT 19 Dec 92

[Text] This station and EL ESPECTADOR hired the Center of Statistics Research to conduct an opinion poll on the most important local issues. Colombian citizens in nine cities—Santa Fe de Bogota, Cali, Medellin, Barranquilla, Cartagena, Bucaramanga, Monteria, Sincelejo, and Santa Marta—were asked for their opinions. The first subject was President Cesar Gaviria's administration.

This is the result of the poll: 23 percent said his administration is good; 43 percent, acceptable; and 31 percent, poor. Compared with the previous government of Virgilio Barco, respondents thus described Gaviria's administration: 37 percent, better; 35 percent, comparable; and 24 percent, worse. Respondents expressed opinions on the negative aspects of the present government and what has upset them the most: 24 percent said rationing has been the most troublesome; 9 percent, inflation; 8 percent, time changes; 6.1 percent, insecurity; and 6 percent, tax reform.

Asked what positive aspects of this administration they preferred, the respondents answered thus: 27 percent, nothing; 25 percent, the economic opening; 7 percent, the peace policy; 5 percent, the decision to fight the guerrillas; 5 percent, time changes; and 4 percent, the war on drug traffickers.

Asked who they think has been the government's best minister, the respondents answered thus: 24.7 percent, Minister Humberto de la Calle Lombana; 17.9 percent, Foreign Minister Nohemi Sanin; and 15.2 percent, Finance Minister Rudolf Hommes. Curiously, 58.3 percent of the respondents also picked Hommes as the worst minister.

According to the poll, these are the problems that require an urgent solution in order of importance: unemployment, kidnappings, guerrillas, insecurity, administrative corruption, energy crisis, drug trafficking, inflation, deficient administration of justice, and lack of social security.

Minister Sanin was selected as the most distinguished official in 1992. The government minister, attorney general, and prosecutor general are also included in the people's preferences.

Respondents assessed the work of various government officials. Regarding Minister Sanin's work, 66.6 percent think it has been good; 21.3 percent, average; and 3.3 percent, poor. Regarding Minister De la Calle's work, 52.2 percent think it has been good; 28.6 percent, average; and 9.5 percent, poor. Regarding Attorney

General Carlos Gustavo Arrieta's work, 45.6 percent think it has been good; 34 percent, average; and 5.9 percent, poor. Regarding Prosecutor General Gustavo de Greiff's work, 45.5 percent say it has been good; 29.7 percent, average; and 7.4 percent, poor.

In addition, 40.3 percent of those questioned think Peace Adviser Horacio Serpa Uribe did a good job; 32.9 percent said he did average work, and 18.9 percent rated his performance as poor. Defense Minister Rafael Pardo Rueda placed sixth: 30.9 percent say his work has been good; 40.2 percent, average; and 18.1 percent, poor. Comptroller Manuel Francisco Becerra placed seventh; 30.3 percent say he did a good job; 35.2 percent, average; 11.3 percent, poor.

Foreign Trade Minister Juan Manuel Santos placed eighth; 25.4 percent think his work has been good; 34.2 percent, average; and 11.6 percent, poor.

Congress President Jose Blackburn placed ninth: 22.5 percent say his work has been good; 38.9 percent, average; and 16.3 percent, poor.

Colombian sports enterprise director Miguel Angel Bermudez brings up the rear; 21.3 percent say his work is good; 30.5 percent, average; and 32.4 percent, poor.

Ecuador

Information Minister Killed in Quito Plane Crash

PA2112230592 Quito Voz de los Andes in Spanish 2200 GMT 21 Dec 92

[Text] A small private plane crashed amid heavy fog in an exclusive Quito residential area on the morning of 21 December. Five of passengers were killed and seven people inside the building were injured.

The plane crashed into the second floor of the occupied building without inflicting any casualties. [sentence as heard] Information and Tourism Minister Pedro Zambrano and four passengers were killed in the accident. Rita Velez, the minister's wife, Deputy Tourism Secretary Carlos Solorzano, Adviser Homero Villafuerte, and pilot Hugo Aguirre also were aboard the plane.

The plane was a two-engine Piper Seneca with Ecuadoran registry owned by MANABITA newspaper, also the property of the late minister.

The reasons for the accident are currently unknown. The plane was arriving in Quito from Puerto Viejo.

Duran-Ballen on Sharing of Amazon River

PA1912000492 Quito Voz de los Andes in Spanish 2200 GMT 18 Dec 92

[Text] Ecuadoran President Sixto Duran-Ballen said in public on 18 December that his country expects to share use of the Amazon River waters with other Latin American countries.

Duran-Ballen spoke during a military ceremony in Salinas, 549 km southwest of Quito, hours before receiving Peruvian President Alberto Fujimori, who arrived in Ecuador for a private visit of more than one day. If the Amazon River was discovered to originate in Quito and if this river was called the Quito River on some old maps, we would have had to share the river with the other Southern Hemisphere countries, Duran-Ballen said.

Ecuador and Peru maintain an old border dispute that in the past 50 years has led to two wars and numerous border incidents. After the 1941 armed conflict, Ecuador lost direct access to the Amazon River.

Government Obtains Release of Cuban Prisoners

PA1812172992 Quito Voz de los Andes in Spanish 1100 GMT 18 Dec 92

[Text] Efforts by the Ecuadoran Government has allowed a group of Cubans to be released from prison. Cuban authorities arrested this group back in 1981 when they entered the Ecuadoran Embassy in Havana requesting asylum.

The Cuban Government released the last two prisoners on 17 December. [Quito Radio in Spanish at 2200 GMT on 21 December in a similar report adds: "The Cubans were officially identified as Romulo Juan Delgado Fernandez and his brother, Pascual Ovidio. The brothers took hostages in the Ecuadoran Embassy in Havana in 1981 and were later tried and jailed by the Cuban Government.

[Ecuadoran Foreign Minister Diego Paredes said during a news conference that a few days after taking office on 10 August, Sixto Duran-Ballen's conservative government asked Cuban authorities to release the two men."] They will come to Ecuador after diplomatic procedures are completed by the Ecuadoran Foreign Ministry.

The Foreign Ministry praised the goodwill and sensibility of the Cuban Government in the face of this humanitarian request by the Ecuadoran Government.

Peru

CCD Preparatory Commissions Take Oath of Office

PA2112145292 Lima Panamericana Television Network in Spanish 1200 GMT 21 Dec 92

[Text] The seat of the National Congress opened its doors on 20 December after nine months, to allow the installation of the Democratic Constituent Congress [CCD] preparatory commissions. During the inaugural ceremony, several curious incidents occurred, such as that by Gloria Helfer Palacios, of the Left-Wing Democratic Movement [MDI]

The former minister of education did not greet anyone after swearing in the members of the board of directors,

which will be headed by Jaime Yoshiyama. There were also those, such as the PPC [Popular Christian Party] led by Lourdes Flores, who swore to work for the reestablishment of democratic institutionalism. Luz Salgado, the deputy secretary general of Change 90, swore in Jaime Yoshiyama, the president of the preparatory commissions.

[Begin recording] [Salgado] In accordance with the credentials that have just been read, I hereby declare Mr. Jaime Yoshiyama Tanaka to be the president. I call on the congressman who, in accordance with the law, must preside over the CCD preparatory meetings, to step forward and take the oath.

Do you solemnly swear, before God and the nation, to faithfully fulfill your duty and to comply with the Constitution and the law in all of your actions, and to safeguard the confidentiality of the information regarding the issues to be discussed here.

[Yoshiyama] I do.

[Salgado] If in fact you do, then God and the nation shall reward you; if not, God and the nation shall hold you accountable. [applause] [end recording]

CCD Will Be 'Completely Autonomous'

PA2112164292 Lima Panamericana Television Network in Spanish 1200 GMT 21 Dec 92

[Text] Jaime Yoshiyama Tanaka, the president of the Democratic Constituent Congress [CCD] preparatory commissions, discussed the possibility of reviewing those laws issued by the government since 5 April. He affirmed the CCD will act in full autonomy. He said the board of directors will be a multiparty body, although he pointed out talks on that issue are still pending.

[Begin recording] [Yoshiyama] We have prepared a draft of the regulations that will govern this new CCD to make its discussions more dynamic and make it act in accordance with the nation's reality. We have proposed a draft regulation to bring about needed modernization and progress. This set of rules, this draft regulation has been well received by some political leaders. They have made a series of interesting contributions. I think we will have an excellent regulation that will allow the CCD to act in accordance with the country's reality and be dynamic, efficient, and nonbureaucratic.

I personally believe that the real work will begin on 2 January. This week, however, we will have to agree on the regulations and the way in which we will hold our discussions. We must not forget that during the political campaign, the majority of the political parties were calling for a more efficient congress. This means, first, the work of the members of the CCD must be independent from the CCD administrative work, as such. We have heard that members of Congress used to be in charge of the library or the treasury. I believe this type of work must be given to professional managers or administrators, because the CCD members' job is to ensure the body promulgates good laws that will modernize the country.

[Unidentified reporter] Will this congress be able to review all that has been done since 5 April?

[Yoshiyama] I wish to stress this Congress will be completely autonomous and independent. I do not believe there is anything it will not be able to do. In other words—if all the members of the CCD feel it is necessary to review all the decrees issued by the executive branch since 6 April, we will do so. Let there be no doubt about this, we have declared the CCD will be autonomous and sovereign. [end recording]

Economy Minister on Support Group, National Budget

PA1912124692 Lima Global de Television Network in Spanish 0100 GMT 19 Dec 92

[Text] Economy and Finance Minister Carlos Bolona announced that Japan and the United States have accepted to jointly lead the Support Group for Peru for 1993. With regard to the 1993 General Budget of the Republic, he said it amount to 10 billion soles.

[Begin recording] [Bolona, in progress] ....are two important things to point out. At the Support Group's first meeting, Japan and the United States very clearly displayed their will to jointly lead the group and to even propose some tentative amounts to begin Support Group operations. They also displayed their will for defining, at a second meeting to be held before 14 January, which countries will participate and the amounts they will contribute.

The important thing is that, differently from the previous meetings, those of the first Support Group, the United States and Japan have started off with very concrete proposals.

[Unidentified reporter] Minister, how are the discussions regarding the budget draft bill and the financing and debt draft bill for 1993 going? What does the budget amount to?

[Bolona] We already have a draft that is being discussed and improved by the Council of Ministers. We are talking about tax revenues amounting to approximately 8.4 billion soles for 1993, which could be a tax of about 10 percent on the projected 1993 GNP.

Obviously, we are also counting on funds from privatizations, foreign financing, national income, and even from the Fonavi [National Housing Fund] to reach close to 10 billion soles to finance government spending.

[Reporter] What is the December inflation rate?

[Bolona] It will probably be less than what it was in November in spite of this being the month of Christmas.

It could be under 3.5 [percent] and maybe even closer to 3 [percent]. That is, more or less, what we are expecting, but we still have to see how it goes. However, the important thing is that the percentage for 1992 is 54 or 55 percent and that is an important achievement with regard to the inflation in 1992. [end recording]

Military Involvement in Drug Trafficking Viewed

PY1812152392

[Editorial Report] Lima LA REPUBLICA in Spanish, on 27 November on pages 14 and 15, publishes a 2,000-word article by Francisco Reyes entitled "Drug Traffickers Take Advantage of Absence of Radars in Upper Huallaga" focusing on how military officers are involved in drug trafficking in the region.

According to the article, drug trafficking activities have increased in the Upper Huallaga ever since the United States removed two radars from Andoas and Iquitos on 28 April after the 5 April coup by President Alberto Fujimori.

It adds: "From January 1991 to April 1992, the Peruvian Air Force, FAP, intercepted 63 small airplanes," while "from May to November 1992," the FAP "intercepted only three drug trafficking airplanes."

The article states that the airport of Caballococha, in the lower Peruvian jungle close to the Colombian and Brazilian borders, has been used "night and day" by Huallaga drug traffickers. "With the protection of a National Police detachment," Colombian airplanes land at this airport "without any problem and calmly load thousands of kilos of cocaine," according to charges filed on 22 September by Caballococha Subprefect Enrique Lopez Sanchez before the National Police mayor in charge of the Lower Amazon border region. The flights took place on 6, 7, and 12 September.

Peruvian Army and FAP helicopters sometimes carry drugs now, according to charges filed with the Army General Command, the article says. "'We pay $50,000 per helicopter flight: $30,000 for the officer in charge and $20,000 for the crew,' a drug trafficker said, according to the charges. A helicopter transports more than one metric ton of drugs, and there is no more secure cargo than that transported in a military aircraft."

LA REPUBLICA states that, according to an unpublished book by an active-duty Army officer, local Huallaga inhabitants "repeatedly charged that military helicopters are used—or rather—rented by drug traffickers to quickly transport drugs just before an antidrug operation is conducted by the DEA."

It adds that local "drug lords," such as El Vaticano and Waldo Vargas, better known as El Ministro, move around the region in total freedom. Although El Ministro frequently can be seen in Shazuta, Yarina, Shapaja, and Yurimaguas, the two "drug lords" often travel to Lima, where their families reside in luxurious homes and where they give loud parties with the participation of well-known Lima artists. Although the antinarcotics police have their pictures, they have never been made public. "They inexplicably live anonymously."

The article ends by reporting that Huallaga Front Commander General Eduardo Bellido Mora recently accused Commander Marco Zarate Rotta, former political military chief of the Leoncio Prado Counter Subversive Base, of charging $8,000 to $15,000 for each drug shipment that departed from the Uchiza municipal airport.

Economic Impact of Coca Viewed

PY1912140892 Lima EL PERUANO in Spanish 1 Dec 92 pp B6, B7

[Article by Hugo Gallegos and Julio Guzman]

[Text] It is known that drug trafficking "contributes" nearly $1 billion a year to the Peruvian economy, but how does this money enter into our economy? First, the international drug trafficking Mafia buys coca paste with national currency [new soles]. To this we must add payments for transportation, safety, and bribes. We must then say that there enters a considerable amount of dollars into the country which, transformed into new soles, ends up in the hands of rural producers and others connected with the business. Then another significant amount of dollars is introduced into the legal economy of the country through the "laundering" of dollars in commerce, services, and in any other businesses that in general, do not demand a great investment, in which money quickly circulates, and in which the raw materials have variable costs that can be adulterated. Another interesting means for introducing dollars into the country is through the black market.

The fact that 25 percent of our hard currency comes from drug trafficking demonstrates that our economy is "narcodependent."

The massive invasion of coca dollars generates an excess supply of dollars in the black market, lowering the dollar exchange rate.

According to Marcial Rubio, director of the Desco [Center for Development Studies and Promotion] Research Center, the "narcodollars" are useful for the macroeconomic policy objective of curbing inflation. The "narcodollars" lower the prices of imports constituting a price-regulating factor. However, on a long term, this results in a contradiction: A higher exchange rate will improve exports but with the risk of an inflationary upsurge. However, on a medium term, we could reach a reasonable exchange rate stimulating exports without generating inflation; in that moment all conditions will be toward gradually replacing illegal dollars with legal income.

Now, if we accept that our economy is "narcodependent" and causing several distortions through an unreal dollar exchange rate, why isn't the illegal entrance of

dollars into the legal economy firmly fought? Given that Peru has scarce sources with which to generate hard currency, the elimination of the coca trade could have made the Gross Domestic Produce, GDP, drop by 4 percent in 1989. This is a worrisome figure if we take into consideration that Peruvian economic growth in the past 30 years has been at 3.04 percent [as published]. Besides, political issues are at stake: A 4 percent drop of the GDP would necessarily cause economic conflicts and therefore social problems stemming from greater unemployment and poverty. It is also thought that the "narcodollars" are sustaining the balance of payments and delaying the reduction of our international reserves, even though the issuance of new soles without backing has increased.

We must ask ourselves if drug traffickers are favoring our economy. We think they really do not because this illegal activity reduces the dollar exchange rate, negatively affecting exports and harming the internal market and agriculture. To this we must add zero foreign investment in our countries and the fact that our national businessmen are buying bonds, stocks, real estate, and other valuables abroad in developed countries.

The amount of "cocadollars" that remain in the country represents a very small figure in comparison with the millions that may be obtained through the export of agricultural products. However, agricultural production is depressed because the resources it requires are absorbed by drug trafficking.

The worst effect of this phenomenon, however, is the way in which it distorts our exchange rate. The $1 billion that entered the country in 1989 frequently pushed the exchange rate below parity level. This low rate of exchange was necessary to keep the balance of payments from going into the red, even if it meant discouraging exports.

The low rate of exchange for the U.S. dollar jeopardizes domestic markets because it paves the way for cheap imports. This harms domestic agriculture and industry because their facilities and equipment are obsolete and their production costs are high.

Should the distortion of the exchange rate be eliminated, traditional and nontraditional exports would grow. Should this happen Peruvian companies would be prepared to compete with foreign goods and the balance of payments would show a surplus in the medium term. Don't cheap dollars harm coca exports as well? No, because the nature of this business requires the exchange rate to be low in order to obtain huge profits.

Regarding demand, we will find that there is a market for natural and synthetic drugs (produced by the pharmaceutical industry). Such drugs are controlled and sold only by prescription. As a result of this control on the one hand and the low cost of the natural drug on the other hand, a parallel demand has grown.

The mafia cartel takes advantage of the economic status of the peasants, the only ones who take all the risks as the small front-line producers. This occurs more frequently in poor peasant communities. The cartels transfer the risks to the peasants.

Consumption in the United States (the top consumer) is the key stimulant for coca and basic paste production. There are 25 million occasional consumers and addicts in the United States. According to Diego Garcia Sayan, the president of the Andean Commission of Jurists, U.S. consumers spend approximately $100 billion per year, twice the money spent annually on gasoline in the United States.

According to reliable studies 12 years ago in 1980, Peru had between 40,000 and 80,000 hectares of coca plantations as compared to 2.8 million hectares of other crops. By 1987 coca plantations had grown to 240,000 hectares. In 1980 Alto Huallaga hosted less than 50 percent of the nation's coca plantations and was considered to be a safe and peaceful region. By 1987 Alto Huallaga was producing 80 percent of Peru's coca and had become the stronghold of Peruvian drug traffickers where violence and terrorism prevailed.

Thus, we are witnessing a frightening growth of coca plantations while legal agriculture is stagnant. This development of coca plantations is concentrated in a relatively small portion of Peruvian territory and causes serious environmental problems due to soil erosion.

It has been estimated that between 45,000 and 90,000 metric tons of whole coca leaves were produced in 1980. By 1987 production had grown to 285,000 metric tons. Yield per hectare had improved through the better utilization of Alto Huallaga land. Approximately 1.3 metric tons per hectare are produced in Alto Huallaga while the average for the rest of the country is less than 1 metric ton per hectare.

It was estimated that between 400 and 600 metric tons of raw and washed basic paste and very small quantities of cocaine hydrochloride were sold in 1980. By 1987 the approximate figures were 420 metric tons of basic paste, 1,050 metric tons of washed paste, and between 4.5 and 5 metric tons of cocaine hydrochloride. This means that coca processing has grown considerably.

Studies show that at least during the eighties, drug traffickers were paying per kilogram of coca a stable price in of approximately $3.60 at the "free" rate of exchange.

Despite the significant decline of the price of processed coca in recent years, the price of coca leaves remains stable. While in the 1980-1982 period, wholesale middlemen paid small producers the equivalent of $1,000 at the "free" rate of exchange for raw basic paste [no quantity specified], the price fell to less than $500 in 1986-1987. International rings that used to pay $1,500 at the "free" rate of exchange for basic paste at the beginning of the eighties were buying it at $650 in 1987. The

same thing happened to washed paste, the price of which fell by approximately $1,000 in the same period of time.

What has caused production to grow? What has prompted peasants to switch from their traditional crops to coca? The production of coca has grown because it is a profitable crop and because of migration to Alto Huallaga.

As to why the peasants choose to grow coca, the answer is obvious: It is more profitable than any other legal crop. Even though data on this is distorted, in 1988 profits obtained from coca were eight times higher than from other crops, while in 1989 coca was only twice as profitable as other crops. Furthermore, coca farming does not require any infrastructure; the crop is carried out by plane, there is sustained demand for it, and it is usually paid for punctually (unlike the way the National Enterprise for Industrial Marketing and the Food Marketing Enterprise pay for agricultural products). To all this, one should add a stable price and low production costs. No other agricultural products are as profitable as coca because none of them entails attractive benefits.

The supply is determined by a favorable nature: soil conditions and weather favorable to production. Coca does not require qualified agricultural manpower and the economic conditions of the peasants are such that they are prepared to run the necessary risks because coca is the crop that they find more profitable.

Ivan de Rementeria, a member of the Andean Commission of Jurists, has said that if middlemen were eliminated peasants would obtain between 70 and 80 percent of the value of their crops, which would make a hectare of coffee more profitable than a hectare of coca. Thus, peasants would benefit despite low international prices. De Rementeria also proposes reaching an agreement with coca farmers and making them valid interlocutors because (once organized) they are the ones who would have to implement the substitution programs.

In order to avoid the violence inherent to any process of change, coca farmers must be the protagonists of these programs. This would be the only way to avoid the misconception that the peasants are criminals when in fact they too are just victims of the complexities of drug trafficking.

La Libertad 'Subversive Activities' 'Under Control'

PY1812201892 Lima EL PERUANO in Spanish 8 Dec 92 p A1

[Text] General Ismael Cornejo Alvarado, commander of the 32d Infantry Division, said that subversive activities are 90 percent under control in La Libertad region, and that what is needed for their eradication is not only the work of the Armed Forces but also the united work of the population as well as democratic institutions including journalism.

Gen. Cornejo emphasized the mission of the media by saying that they are a powerful force worth thousands of rifles because they form an opinion. In this regard, he criticized many reporters who have mistreated Armed Forces members, and distorted their image by comparing them with genocide.

In another aspect, the Dincote [Counterterrorism Directorate] of Piura presented on 6 December 10 terrorists, seven men and three women, who are members of the northern sector of the Shining Path Annihilation Command who are allegedly responsible for the murder of Jorge Ramos Plata, and Victor Paredes Maceda, former president of the Grau Region.

The leaders of this terrorist cell are Aurelio Sernaque Silva and Rosa Soldevilla Saldana. They were also responsible for carrying out many dynamite attacks against the public and private organizations in the region.

According to the latest information from Juliaca Province, terrorism continues its irrational war against the country. Criminal actions yesterday left three policemen and two civilians dead, and much material damage. The dead policemen are: Jose Heredia Espinoza, Felix Romani Pihuaman, and Oswaldo Yucra Huallpa.

'Terrorist' Actions Increase in November

PY1812202092 Lima EXPRESO in Spanish 10 Dec 92 p A15

[All figures as published]

[Text] The Institute for National Defense Research (Iniden) has reported that close to 600 people were killed as a result of some 500 subversive attacks perpetrated during the three months that followed the arrest of the Shining Path's [SL] top leader Abimal Guzman Reinoso. The most violent month of the year was November, when 279 people were killed in 226 terrorist attacks.

The report stated that during the last three months 653 people were killed in 502 terrorist actions. These figures indicate the degree of desperation prevailing among rebel groups following the arrest of their leadership cadres.

Terrorist killings and attacks have increased significantly during the last 90 days. While 126 people were killed in September, the death toll rose to 248 in October. Terrorist attacks and killings increased further in November: 279 deaths and 226 attacks.

The terrorists perpetrated 108 attacks in September and 168 in October.

According to the report the breakdown of fatal casualties in November is as follows: 75 SL militants; 92 Tupac Amaru Revolutionary Movement (MRTA) militants; 9 soldiers; 13 members of the National Police; and 90 civilians.

In November the capital of the country was the target of 124 terrorist attacks, followed by Ayacucho (57), Ancash (19), Junin (five), and Huanuco, La Libertad and San Martin, each of which sustained four attacks.

Of all Lima districts, San Juan de Lurigancho was the worst hit in November: 15 attacks. Other districts also sustained several attacks: Ate-Vitarte, La Victoria, and Lima Cercado, 11 attacks each; Comas, nine attacks; Miraflores, eight attacks; and Carabayllo, five attacks.

The communique added that the persistence of terrorists is remarkable in Ancash, where they attacked 18 times in October and 17 in November. The terrorist onslaught in Ayacucho is also a source of concern.

SL terrorist attacks reached a record high in November: 189 actions, that is, 83.62 percent of the total number of attacks perpetrated in November. Meanwhile the MRTA also increased the number of attacks from 14 in October to 25 in November.

Seven 'Terrorists' To Serve Life Sentences

PA1812165592 Lima Panamericana Television Network in Spanish 1200 GMT 18 Dec 92

[Text] Seven terrorists have received life sentences in Arequipa. They will spend the rest of their lives at the Socabaya Jail. Meanwhile, several more terrorists were sentenced from 20 to 30 years in prison.

The seven terrorists serving life sentences in the Social Rehabilitation Center, CRAS, in Socabaya, Arequipa, are in cells measuring approximately 3 square meters, which have steel doors and double locks. There are two terrorists in each cell. Since space is very limited, the Socabaya CRAS does not have the necessary room for all the terrorists who will be serving life sentences, as the number is expected to grow.

CRAS Director Major Luis Carrasco said 80 percent of the terrorists have already been sentenced, many of them from 20 to 30 years.

Pedro Arevalo Hernandez, the Shining Path leader in the southern part of the country who was charged with carrying out some 100 terrorist attacks, will spend the rest of his life in this jail.

[Begin recording] [Carrasco] There are 79 terrorists who already have been sentenced, of which seven received life sentences.

[Unidentified reporter] What are the names of the terrorists serving life sentences?

[Carrasco] Pedro Arevalo Hernandez, Jorge Carrillo Romancos, Bernardo Morales, Edgar Velasquez Cueva, Wilber Saman Cuevas, and Rafael and Raimundo Ramirez Guamani.

[Reporter] Are jail conditions adequate?

[Carrasco] The cells are small. They were previously used to enforce disciplinary measures when inmates committed serious violations inside the jail. The facilities are not adequate for all the inmates sentenced for terrorism. We only have room for inmates serving life sentences. [end recording]

Activities of 'Peru's Top Drug Trafficker' Noted

PY1812200392 Lima LA REPUBLICA in Spanish 8 Dec 92 pp 12, 13

[Editorial Report] Lima LA REPUBLICA in Spanish on 8 December carries on pages 12 and 13 a 1,700-word article attributed to the "Research Unit." The article outlines the activities of "Peru's top drug trafficker," Demetrio Limoniel Chavez Penaherrera, 39, aka Vaticano.

The article says that "each month, Vaticano buys up to 5,000 kg of washed coca paste at very low price from impoverished Alto Huallaga farmers," and that Chavez "works directly for brothers Gilberto and Miguel Rodriguez Orejuela, the visible heads of the Cali cartel."

The article mentions a report published by LA REPUBLICA on 26 February on a confidential Army document that says Chavez receives "armed protection from the 30th Antisubversive Base in the Punta Arenas military detachment near Campanilla."

The article adds that "the officer in charge of the Punta Arenas base" "provides security to the drug trafficker."

The article then quotes unidentified trusted men of Vaticano's as saying that "Chavez settles his contacts with the Army and the police in Lima" and that "he has given late-model cars to some high-ranking police officers."

The article adds that "the Campanilla airstrip is managed by Chavez' lieutenant and brother Humberto Chavez Penaherrera," that "police placed concrete blocks on the airstrip to close it," and "the blocks were removed and the airstrip is being used again."

The article goes on to say that Chavez "now is buying drugs in the Huicungo district, a place that has an airstrip on the highway to Juanjui," and that from this site, Chavez sends planes "to his Cali cartel partners."

The article says that "there is enough evidence that Vaticano, one of the country's main drug dealers, is becoming increasingly independent from Colombian rule," adding that "the capital and experience acquired throughout these years" may give Chavez a chance to take a "leap toward the creation of his own cartel."